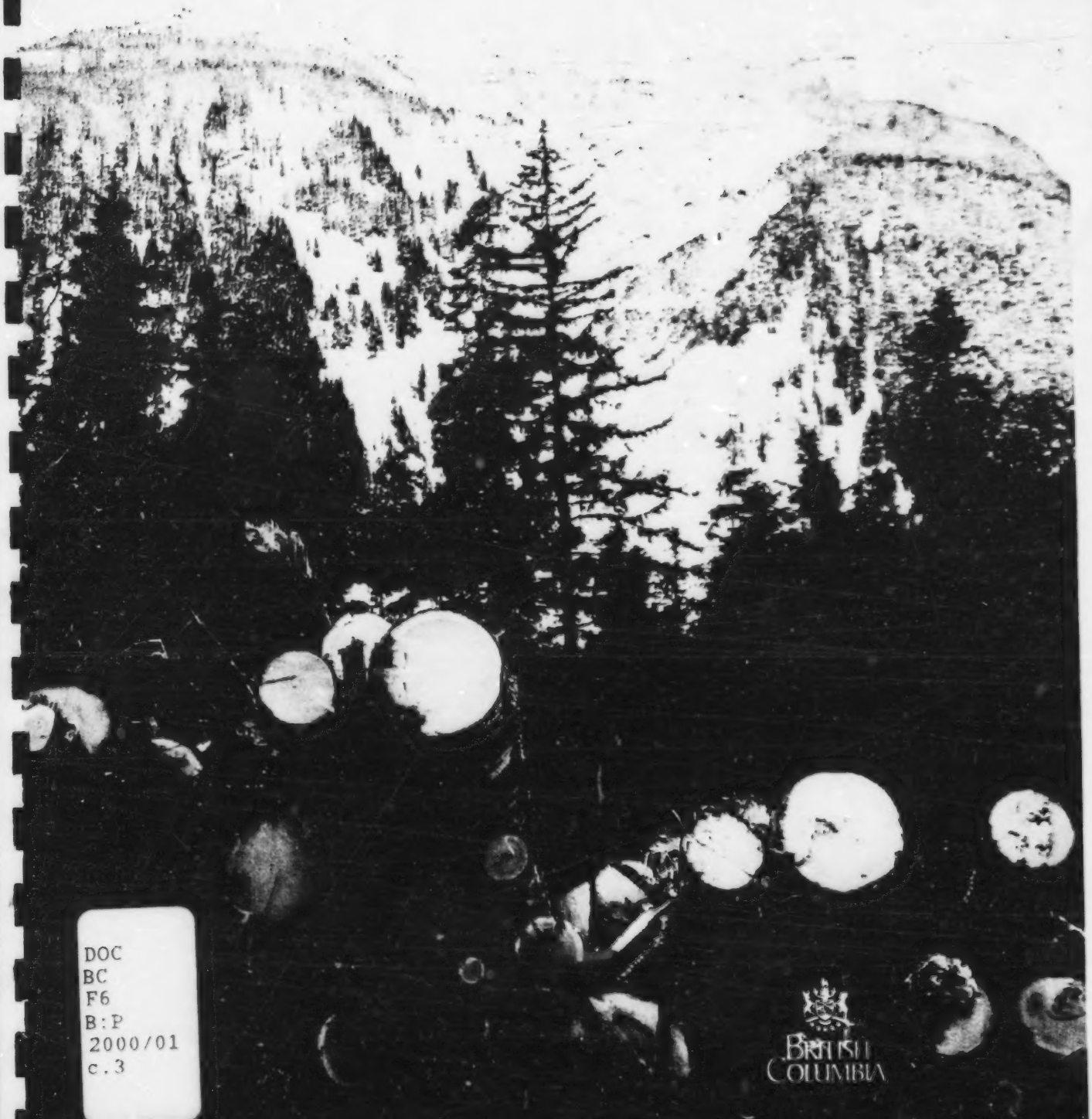
MINISTRY OF FORESTS

2000/01 • ANNUAL

PERFORMANCE REPORT



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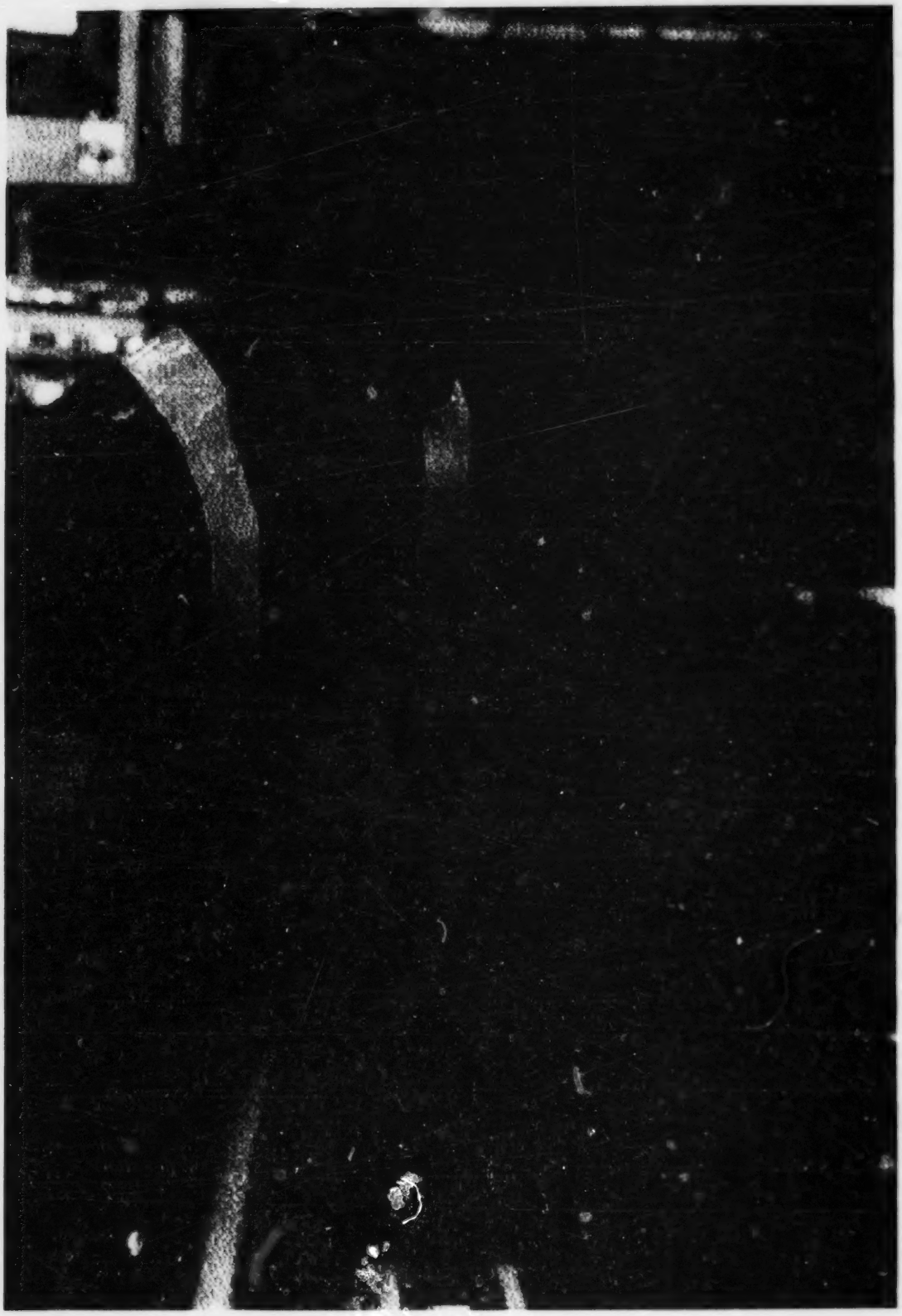

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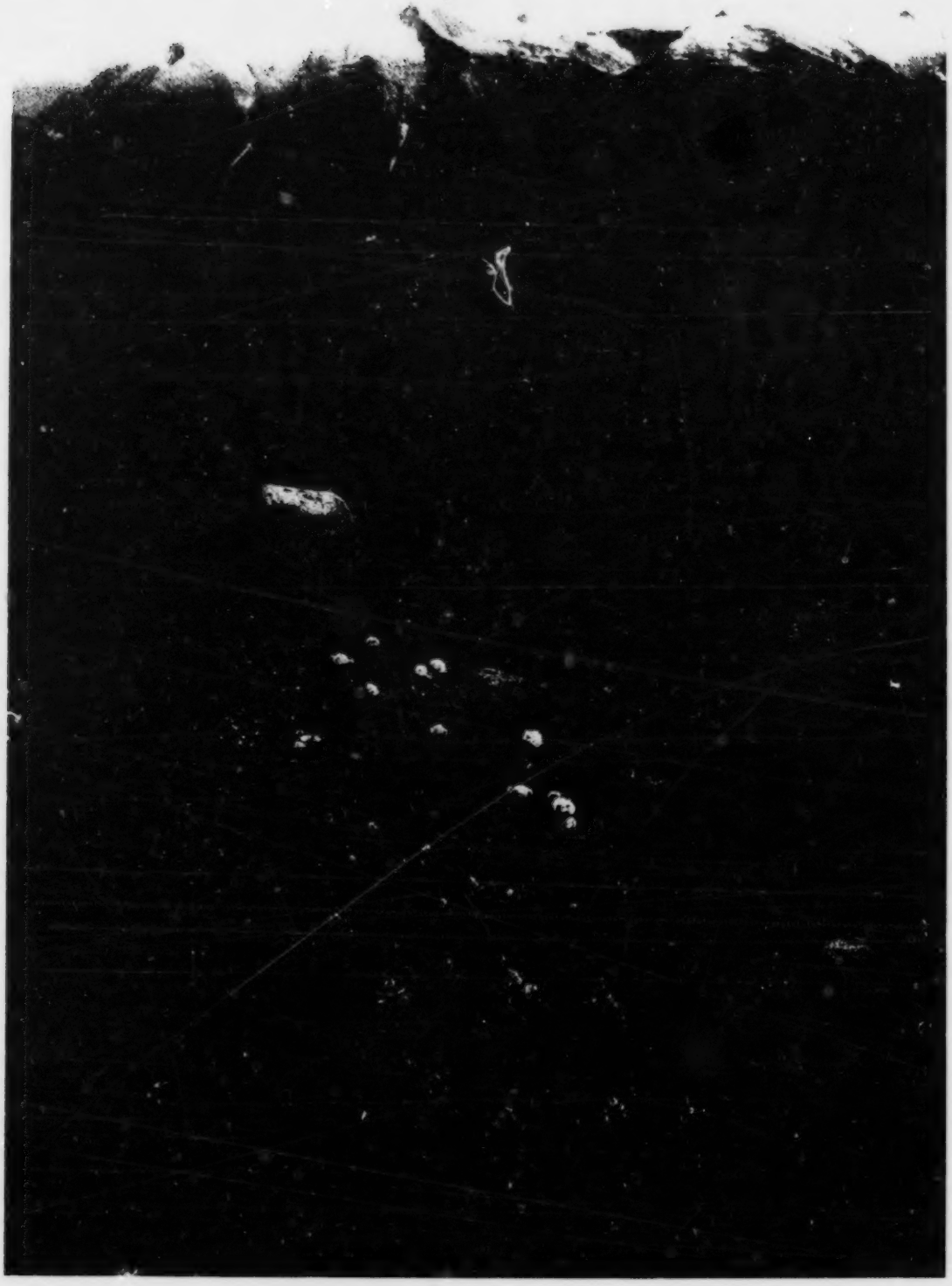

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THE MINISTRY OF FORESTS

The Ministry of Forests' mission is to manage and conserve the province's forest and range resources in a manner that balances economic, ecological and social benefits for British Columbians. Since its establishment in 1912 as the Forests Branch, the ministry, which is also known as the Forest Service, has been the main agency responsible for stewardship of the province's rich and diverse forest resources. In respecting and caring for public forest and range lands, ministry staff are guided by the ethics of sustainable use, stewardship and public service.

Managing the provincial forest in B.C. presents a unique and complex set of challenges. More than 90 per cent of B.C.'s forest lands are publicly owned, which means that the provincial government, on behalf of the public, plays a much more prominent role in the forest sector than its counterparts do in other forestry jurisdictions.

While fulfilling the challenging job of balancing the demands made on B.C.'s forests and range lands, the ministry manages the provincial forest for a variety of values, including timber, drinking water, fish habitat, recreation, cultural values, forage, wildlife and biodiversity. Less than half of the 49 million hectares of productive forest land in the province is presently considered suitable and available for timber harvesting. Each year, less than 1 per cent of the suitable and available Crown forest is actually harvested, and by law, virtually all areas of Crown land that are logged must be reforested with indigenous commercial tree species.

The ministry pursues its mandate for sustainable forest management in a consultative manner with the public, industry, and other Crown agencies, while recognizing the unique role of aboriginal peoples. In this way, the ministry works to earn the public's trust as staff make the day-to-day decisions which ensure that all British Columbians can look forward to healthy forests and a strong forest economy now and in future.

ENVIRONMENTAL SCAN

During 2000/01, forest management grew even more complex, as social and economic changes continued to affect forest and range land-use planning and decision-making. There were signs of sectoral recovery, but the industry still struggled with change in international markets and with increased competition. In North America, the Canada/U.S. Softwood Lumber Agreement expired on March 31, 2001.

CHALLENGES

Some of the challenges faced by the ministry in 2000/01 were ongoing; others were recent developments. Some originated across the globe; others arose in B.C.'s forests. They included:

QUICK FACTS

Total land area in B.C.:

94.8 million hectares (ha)

Table 4

Crown lands administered by the Ministry of Forests:

81.9 million ha

Productive forest land area:

48.8 million ha

Source: Updated from the *1994 Forest, Range and Recreation Resource Analysis*

- continued structural changes (e.g., mill shutdowns and closures) within the provincial industry,
- quota allocation restrictions under the Canada/U.S. Softwood Lumber Agreement, and uncertainty over what will follow the expiration of the agreement on March 31, 2001,
- increasing international market campaigns by non-government organizations looking to create international pressure on the government and industry to strengthen forest practices or protect certain areas,
- third-party forest certification as an emerging requirement for market access,
- increased competition from other forestry jurisdictions, including new sources of supply (e.g., from plantation forests), alternative products, and products made with new technology,
- slow recovery of Asian economies and markets,
- the ongoing need for industry to reduce costs or keep them as low as possible,
- forest health issues related to widespread bark beetle infestations,
- development and implementation of new strategic land-use plans, and
- uncertainty over land use because of ongoing First Nations treaty issues.

Opportunities

During 2000/01, the ministry responded to those challenges in a number of ways, including:

- providing technical support to the federal government to counter U.S. Customs reclassifications, recommending that the federal government increase bonus softwood quotas to address hardships and inequities in B.C., and preparing for the end of the Canada/U.S. Softwood Lumber Agreement,
- establishing a Trade and Sustainable Development Group to handle forest certification issues,
- moving the Small Business Forest Enterprise Program toward eco-certification by developing and implementing an Environmental Management System,
- introducing, as a pilot program, a series of changes to the Coastal stumpage system to ensure that it is more equitable for all licensees, regardless of their size, and that the public's revenue from the resource is protected,
- amending three major provincial acts and two major regulations to reduce costs while promoting the sustainable use of forests,
- providing technical support for the development of Land and Resource Management Plans and higher-level plans,
- working with the industry on more than 800 cost-saving measures and

launching a new market pricing system for small-business timber,

- introducing new legislation to facilitate results-based Forest Practices Code projects and enforcing the code,
- promoting an extensive Research Program in support of sustainability,
- helping the forest industry identify new ways to diversify and strengthen itself, by providing affordable wood to the value-added sector, increasing opportunities for small-scale harvesters, testing innovative forest practices, and introducing pilot community forest tenures to involve more stakeholders in forest management,
- contributing to Canada's international sustainability commitments, safeguarding B.C.'s timber and range resources from fire and pests, regulating forest practices on some private lands, and
- working with First Nations to advance economic opportunities for aboriginal people in the forest sector, and in resolving pre-treaty and treaty forestry issues.

THE FOREST ECONOMY

The British Columbia forest products industry experienced mixed economic conditions in 2000: pulp and newsprint prices improved, while North American lumber prices fell throughout the year. According to estimates prepared by the accounting firm PricewaterhouseCoopers, the industry recorded net earnings of approximately $750 million in 2000, compared to net earnings of $923 million in 1999. (The 1999 net earnings were comprised of $971 million in operating earnings and a loss of $48 million from non-operating items. A similar breakdown is not yet available for 2000.)

Forest industry shipments during 2000 were $20.2 billion, up 8.6 per cent from 1999. This represented about 50 per cent of the value of all shipments by manufacturing industries in B.C. Forest product exports in 2000 totalled $16.3 billion and accounted for about half of total provincial goods exported to international markets.

Direct employment, according to Statistics Canada's Survey of Employment, Payroll and Hours (SEPH), averaged 90,500 in 2000, up from 85,700 in 1999.

QUICK FACTS

Ministry of Forests Revenues

2000/01:	$1.3 billion
1999/00:	$1.6 billion

Table 1

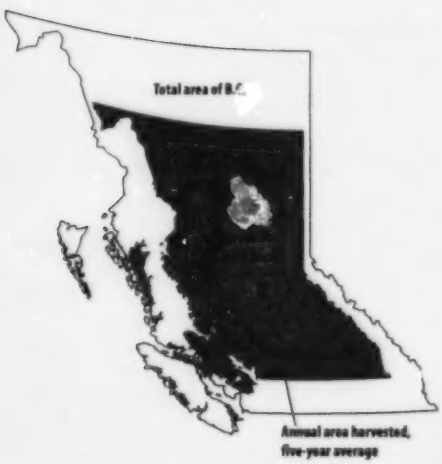
Expenditures

2000/01:	$556.2 million
1999/00:	$491.1 million

Table 2

COMMERCIAL TIMBER HARVESTING

Each year, less than half of 1 per cent of the total productive provincial forest is harvested (see figure below). Managed, operable timber lands make up about half of the entire productive forest land in B.C., or about one-quarter of the entire provincial land base. Planning processes consider, assess and compare all values of an area before timber harvesting is permitted. And by law, all harvested areas on Crown lands must be reforested.



LUMBER

British Columbia's lumber production in 2000 was 13.6 billion board feet, up 1 per cent from 1999.

North American demand for lumber was strong in 2000. Housing starts in the United States were down 4.4 per cent from 1999, but they remained high, at 1.59 million units. Canadian housing starts rose a marginal 1.1 per cent, to 151,700 units in 2000. Japanese housing starts were also marginally higher, up 1.2 per cent to 1.23 million units.

Despite continued strong North American lumber demand in 2000, an oversupply of lumber drove the price of the bellwether indicator, spruce-pine-fir (SPF) 2x4s, to a low of US$177 per thousand board feet by December 2000. That was down 60 per cent from the high of US$438 reached in July of 1999. The annual average price of SPF 2x4s was US$255 in 2000, down from US$342 the year before.

Lumber producers located on the B.C. coast again faced difficult conditions in 2000, as uncertainty surrounding the new Japanese building codes (introduced on June 1, 2000) reduced demand for green lumber in Japan, the main Coastal market. Despite supply curtailments, the price of the key Coastal lumber product, hemlock baby squares, decreased to US$574 per thousand board feet in 2000 from US$586 in 1999. While this represented only a marginal drop in price, it was far lower than the US$819 per thousand board feet price in 1997. The Canada/U.S. Softwood Lumber Agreement, in its fifth year in 2000, restricted Coastal producers' ability to divert lumber shipments to the U.S. market.

Lumber remained B.C.'s main export commodity. In 2000, $6.8 billion worth of lumber was exported internationally, down 6.4 per cent from 1999. The U.S. remained the main market for B.C. lumber, despite exports dropping 12 per cent to $4.6 billion. Exports to Japan, the largest offshore market, rose 5.1 per cent, to $1.64 billion in 2000. Exports to the European Union totalled $304 million in 2000, up 12 per cent over 1999.

MARKET PULP

B.C.'s 2000 shipments of market chemical paper-grade pulp were up 6.4 per cent from 1999, at 4.3 million tonnes. Pulp exports from B.C. totalled $4.5 billion in 2000, an increase of 36 per cent from 1999, due mainly to higher prices. The average price of northern bleached softwood kraft (NBSK) pulp in 2000 was US$681 per tonne, up from the 1999 average of US$524.

NEWSPRINT

B.C.'s newsprint production totalled 1.43 million tonnes in 2000, up 3.6

per cent from 1999. Newsprint exports from B.C. fell to $725 million in 2000, down 3.8 per cent from the year before. The average U.S. West Coast price of standard newsprint increased to US$565 per tonne in 2000, from US$513 per tonne in 1999.

Structural Panels

Plywood production in British Columbia was 1.7 billion square feet (3/8-inch or 9.5-millimetre basis) in 2000, essentially unchanged from 1999. The total value of plywood exports from B.C. was $225 million in 2000, down from $267 million in 1999. Plywood and oriented strandboard (OSB) continued to compete for market share in 2000, and OSB continued to gain acceptance. The average price for 3/8-inch (9.5-millimetre) Canadian softwood plywood was $371 per thousand square feet in 2000, down 15 per cent from the year before. The 2000 average price for 7/16-inch (11.1-millimetre) OSB was $306 per thousand square feet, down 21 per cent from 1999.

QUICK FACTS

Total B.C. forest industry shipments

2000:	$20.2 billion
1999:	$18.6 billion

Average U.S. West Coast price of standard newsprint

2000:	US$565/tonne
1999:	US$513/tonne

Volume of all products billed

2000/01:	77.4 million m^3
1999/00:	79.7 million m^3

GOALS, INITIATIVES AND RESULTS IN 2000/01

STRATEGIC GOALS

Nearly 200,000 people work directly or indirectly in the British Columbia forest-sector, and in 2000/01, the forest and range sectors together generated nearly $1.3 billion in direct revenue for the province (see Table 1). Forests and range lands also provide significant economic opportunities for industries such as tourism. Against those economic realities are public and market expectations that the province preserve and maintain the health of as much of the forest and range resources as possible, and at the highest environmental standards.

To meet both environmental and economic expectations, the Ministry of Forests must carefully balance short- and long-term benefits, while maintaining soil productivity, water quality, ecosystem health and biodiversity. Forest management practices must demonstrate high environmental standards and reflect long-term planning that takes into account a spectrum of economic, social, cultural, environmental and other values.

To respond to these challenges and expectations, the Ministry of Forests adopted three strategic goals for 2000/01, aligned with its vision and mission statements:

1. **Manage and conserve forest and grassland ecosystems for sustainable use now and in the future.**

Effective forest management requires the wise and sustainable use of forest, range and recreation resources. To achieve this goal, the ministry will:

- protect long-term soil productivity,
- protect or restore natural forest and grassland ecosystem productivity,
- conserve the biodiversity of forest and grassland ecosystems,
- design forest legislation, regulations, policy, and planning processes to ensure the sustainable use of our resources,
- establish and maintain land-use and forest management planning processes that reflect economic, social and environmental public values and guide operational forest plans and forest investments,
- ensure effective inspection of licensee compliance with legislation, regulation and tenure agreements, and ministry compliance with legislation and regulation that applies to government,
- enhance forest and range productivity,
- meet critical inventory and data management needs of the ministry, and
- focus research and extension to support critical resource management needs.

QUICK FACTS

Allowable annual cut commitments as of March 31

2001:	68.6 million m^3/year
2000:	69.0 million m^3/year

Table C-7

STEWARDSHIP

The Ministry of Forests oversees the timber, range and outdoor recreation resources of British Columbia's Crown forest land, which covers approximately two-thirds of the province. The Forest Service manages this land for:

- production and harvesting of timber,
- production of forage,
- grazing of livestock, and
- outdoor recreation.

It cooperates with other agencies to manage for:

- biodiversity,
- watersheds and water,
- fish and wildlife habitat,
- other natural resource values,
- tourism,
- heritage values, and
- energy and minerals.

2. Ensure that the province's forests, range and associated recreation resources contribute to the economic well-being of its citizens and communities.

A healthy resource economy in British Columbia is based on sustainable use of the forest and range resources, and on a diverse base of competitive industry operators generating employment and revenues. A key factor is the fair allocation of forest and range resources to support the long-term viability of resource-based industries and communities. To achieve this goal, the ministry will:

- foster a regulatory and administrative climate that enables a competitive forest industry,
- maintain or improve economic potential from forest, range and recreation resources,
- effectively allocate and administer forest and range tenures,
- determine sustainable rates of timber harvest,
- provide access to small-business timber volumes, and
- contribute to the provincial government's fiscal objectives by collecting the economic rent from B.C.'s forest and range resources in an efficient and fair manner.

3. Be a strong, dynamic and adaptable organization focused on achieving its strategic goals.

The Ministry of Forests will enhance the effectiveness of its strategic planning by fully integrating ministry strategy with the internal business planning and budget cycles. Employees must be equipped with the right skills and knowledge to achieve the ministry's goals effectively, and to be adaptive and innovative as the operating environment changes around them.

With rapid change in the past few years, ministry staff have faced increasing complexity and uncertainty at all levels of their work. Changes in the ministry's roles and new initiatives have required changes in work functions for many employees. The ministry also faces a significant loss of accumulated expertise over the next 10 years, as many employees are scheduled to retire.

To achieve this goal, the ministry will:

- implement the Strategic Management Framework,
- recruit, train and support staff so that they are knowledgeable, adaptive and innovative in achieving the ministry's goals, and
- implement continuous improvement principles in the organization's business practices.

The section following reports on ministry achievements in 2000/01 under specific initiatives identified as key priorities in the *Business Plan 2000 - 2001* (April 2000). Accomplishments under ongoing initiatives, and support work for core ministry objectives are reported in Appendix 1, under "Division and Branch Reports."

2000/01 Scorecard

Strategic Goal 1: Manage and conserve forest and grassland ecosystems for sustainable use now and in the future.

Key Initiative	Performance Measures	Achieved	Not Achieved	Planned Targets	Actual	Details on Page
Results-Based Code Initiative	Number of Forest Practices Code pilots implemented	a Substantial achievement		Four pilots underway across the province.	Five pilots in detailed planning, and two in public discussion.	13
Community Forests Initiative	Number of agreements issued which directly involve communities	a Substantial achievement		Issue seven agreements.	Four agreements signed and three offers made.	14
Kyoto Protocol Initiative	Level of ministry input provided to provincial/federal discussions	a		Fully inform provincial and federal discussions, including the 6th Conference of the Parties (COP-6) in Nov. 2000, on provincial forestry benefits, including carbon sinks.	Discussions informed.	14
State of the Forests Report Initiative	Report on sustainability indicators	a		Complete a prototype report on sustainability indicators.	Prototype report delivered to ministry executive.	15
Landscape-Unit Planning Initiative	Number of landscape-unit plan objectives advertised		a	Advertise objectives for 75 landscape-unit plans.	Objectives for two plans advertised. Implementation delayed by required consultations.	15
Forest Health Initiative	Area of forest land attacked by bark beetles		a	Minimize expansion of bark beetle infestation by undertaking control measures as per five-year Forest Health Plan.	Control measures implemented, but expansion continues, with additional funding.	16
	Level of gypsy moth population control	a		Eradicate gypsy moth populations in Burnaby.	Gypsy moth eradicated in affected area in Burnaby.	

Strategic Goal 2: Ensure that the province's forests, range and associated recreation resources contribute to the economic well-being of its citizens and communities.

Key Initiative	Performance Measures	Achieved	Not achieved	Planned Targets	Actual	Details on Page
Softwood Lumber Initiative	Level of leadership provided to ensure all options are considered and risks are identified	a Leadership provided; target to be reassessed in 2001/02		Unfettered access to the U.S. market for B.C. softwood lumber.	Consulted with the federal government and stakeholder interests in B.C. and prepared analyses in anticipation of a probable U.S. trade action. Achievement of target cannot properly be assessed until the scope and nature of a U.S. trade action are known.	17
Forest Policy Review Implementation Initiative	No specific measures developed	a		Based on Cabinet direction, implement specific report recommendations and/or broad policy directions.	Specific targets directed by Cabinet achieved (e.g., expansion of the Community Forests Initiative, and conclusion of consultations on establishing a working forest.) Other work on identified long-term policy issues continues, including development of a Market-Based Pricing System.	17
First Nations Forest Strategy	Number of pilots implemented under the Premier's Economic Summit	a		Implement three access-to-timber pilots under the Premier's Economic Summit.	Three pilots implemented, involving five partnerships.	18
	Number of forest-related business arrangements involving First Nations	a		An increase in the number of forest sector business arrangements involving First Nations.	Many of the 21 agreements reached (see below) include business arrangements.	
	Number of Traditional Use Studies completed	a		Ten Traditional Use Studies completed.	Ten studies completed.	
	Number of students involved in the Forest Technician Training Program	a		Seventeen current students complete the program; 20 students start.	Eighteen students completed academic work; 17 proceeded to practical work.	
	Number of pre-treaty and non-treaty–related agreements developed or supported	a		An increase in the number of pre-treaty and treaty-related agreements developed or supported.	Twenty-one agreements reached.	
	Number of treaty-related agreements supported, including land and cash offers and Agreements in Principle	a			As above.	

Certification of Forest Products Initiative	Contribution to the development and revision of various sustainable forest management standards	a		Contribute to: • revision to CSA SFM national standard, and • development of FSC B.C. regional standards.	Contributed to both.	19
	Number of forest districts with Small Business Forest Enterprise Program (SBFEP) certified to ISO 14001		a Progressing	All district SBFEPs in the Vancouver Forest Region to be ISO 14001 certified by March 31, 2001.	Districts in Vancouver Forest Regionhave implemented ISO 14001, but are not yet certified	
	Number of CSA and FSC Sustainable Forest Management pilot projects.	a		Implement four pilots.	Four pilots implemented to test CSA, FSC and ISO requirements.	
Implement New Small Business Forest Enterprise Strategy	Development and implementation of a strategy that is fully supported by the value-added sector.		a Significant progress	Update the Value-added Policy to target increased wood volume for higher-value uses.	New policy developed, and consultation begun with value-added sector.	20
	Number of forest districts with SBFEP Environmental Management Systems in place and operational		a Significant progress	Implement Environmental Management Systems for SBFEP in all forest districts.	Significant progress: Environmental Management System piloted.	
	Percentage of all sales sold in the Vancouver Forest Region in 2000/01 from alternative silviculture systems	a		Achieve target of five-year plan to have 60 per cent of all sales sold in the Vancouver Forest Region in 2000/01 from alternative silviculture systems.	On target to achieve five-year plan.	
Bridge Replacement Initiative	Number of access structures replaced	a Substantial achievement (78 per cent)		Replace 140 bridge structures.	Total of 109 structures replaced at higher cost than expected.	21

Strategic Goal 3: Be a strong, dynamic and adaptable organization focused on achieving its strategic goals.

Key Initiative	Performance Measures	Achieved	Not Achieved	Planned Targets	Actual	Details on Page
Strategic Management Framework Initiative	Establishment of corporate outcome measures and targets	a		Develop corporate outcome measures and targets for goals and objectives by March 31, 2001.	Measures and targets developed. (Details: *Performance Plan 2001/02 - 2003/04.*)	23
Training and Succession Planning Initiative	Training needs identified, prioritized, funded and delivered	a		Priorized training plan implemented within budget	Training plan implemented.	23
	Succession needs identified, prioritized, funded and delivered		a Partial achievement	Succession plan model approved and initial steps implemented.	Development of the model 80 per cent complete. Implementation not yet initiated; financial requirements need to be reviewed.	
Continuous Improvement Initiative	Number of forest regions developing more efficient harvest management practices	a Over-achievement		Deliver continuous improvement curriculum in three forest regions.	Continuous improvement curriculum underway or delivered in four forest regions.	23
Equity and Diversity Initiative	Proportion of new hires to ministry from designated equity groups		a	New hires from designated groups reflect distribution of overall provincial population.	BC Statistics workforce information not available by March 31, 2000/01. Expectation is that the target was not met due to limited staffing actions during the year.	24
	Increased representation of designated groups in under-represented classification levels		a	Increase designated group representation into technical, professional and management level positions.	Limited out-of-service staffing actions during the year prevented an increase in filling technical and professional positions with qualified individuals from the designated groups.	
	Proportion of ministry staff who have received discrimination prevention training	a Substantial achievement		One hundred per cent of ministry staff receive discrimination prevention training by March 31, 2001.	By March 31, 93 per cent of ministry staff had received discrimination prevention training.	

STRATEGIC GOAL 1:
Manage and conserve forest and grassland ecosystems for sustainable use now and in the future.

Results-Based Code Initiative

The ministry added new legislation during 1999/00 to the *Forest Practices Code of British Columbia Act*, to allow pilot testing to improve the regulation of forest and range practices. These provisions empower Cabinet to exempt tenure-holders or the Small Business Forest Enterprise Program (SBFEP) from requirements under the *Forest Practices Code of British Columbia Act*, the *Forest Act*, or the *Range Act* for the purposes of experimenting with ways to improve the regulatory and administrative framework associated with implementation of the Forest Practices Code.

The intent of this initiative is to move from a prescription-based to a results-based Forest Practices Code, in a way that maintains environmental standards and fosters broad public support. Consultation includes stakeholders from environmental groups, the forest industry, the Forest Practices Board, and First Nations.

Ten initial expressions of interest from across the province were received. Of those, five pilot proposals are in the early stages of development, and five are in the detailed planning stage:

- Cariboo Lumber Manufacturers' Association (CLMA)
- Cariboo Woodlot Association
- Fort St. John licensees
- Riverside Forest Products Ltd.
- Weyerhaeuser Canada Ltd., Stillwater Division

These five pilots are exploring new mechanisms for community and First Nations involvement, evaluation and monitoring, and links to certification, land-use planning, and tree farm licence management planning. During 2000/01, the ministry provided advice on pilot proposals for further streamlining of operational planning, cutting, and road permit administration.

The 2000/01 target was to implement four pilots across the province.

The proposals and draft regulations for the Fort St. John and Weyerhaeuser (Stillwater) pilot projects were released for public discussion during 2000/01. Work continues on the CLMA, Cariboo Woodlot, and Riverside projects, for which proposals and draft regulations may be released in 2001/02.

MANAGING DIVERSITY

B.C. has a greater diversity of forest types than any other jurisdiction in Canada or the U.S. To manage, protect and conserve those forest and range ecosystems, the Ministry of Forests employs more than 4,200 people, has contracts with many others, and works with the private sector on activities ranging from tree planting and landscape management to computer modelling and the study of forest ecology.

Community Forests Initiative

Pilot projects under this initiative test new approaches to community stewardship of local forest resources, both to increase direct community participation in the management of local forests and help create sustainable jobs.

The ministry evaluated 27 proposals for Community Forest Agreements during 1999/00 and made seven offers for pilot projects. (The 2000/01 target was to issue seven agreements.) By the end of 2000/01, four pilot agreements were signed, with Burns Lake Community Forest Limited, Harrop Procter Watershed Protection Society, Esketemc First Nation, and the District of Fort St. James. These agreements cover approximately 52,700 hectares of Crown land. Three additional pilots were offered to the communities of McBride, Likely, and Nuxalk First Nation.

A new Community Forest Agreement Regulation, based on the Woodlot Licence Forest Management Regulation, was brought into force on December 4, 2000. It provides for a more streamlined and flexible administrative model, while maintaining environmental protection measures consistent with the Forest Practices Code.

A moderate expansion of the program was announced in October 2000, which will allow the ministry to offer as many as 18 additional community forest tenure opportunities.

Kyoto Protocol Initiative

The Kyoto Protocol was signed by Canada in 1998. It requires a 6 per cent reduction (or about 180 million tonnes) in national greenhouse gas emissions below 1990 levels by the end of 2012. The protocol has yet to be ratified, but signatories must demonstrate progress on their commitments by 2005. The agreement has potential risks for the B.C. forest sector, including constraints on allowable annual cuts and additional forest management considerations, increased wood production by competitors, increased forest industry production costs, and possible trade barriers.

The purpose of this initiative is to reduce the risks, costs and effects on B.C.'s forest-based economy, and to help control carbon dioxide emissions by negotiating, if possible, a position that generates revenues from carbon sinks.

The ministry is participating in both the ad hoc Sinks Table and the Forest-Sector Table established by the federal government. Participants at the tables will also assess the potential effects of future agreements on forest management in B.C. During 2000/01, this work included providing information for and participating in the 6th Conference of the Parties (COP-6) in November 2000 and developing a provincial carbon accounting model to provide relevant input to federal/provincial discussions – meeting the *Business Plan 2000 - 2001* target.

The carbon accounting project, which will be completed in two phases, is a cooperative effort among the B.C. Ministry of Forests, the Canadian Forest Service, and ESSA Technologies Ltd. of Vancouver. The team is revising the Carbon Budget Model of the Canadian Forest Sector (CBM-CFS2) to analyze carbon stocks and carbon stock changes in B.C. at the scale of timber supply areas and tree farm licences. The analysis will use a range of provincial information (e.g., forest inventory and growth and yield) to analyze carbon stock changes in the managed forest under different harvest and natural disturbance-rate scenarios. This is also the first application of the CBM-CFS2 using provincial inventory and growth and yield data.

State of the Forests Report Initiative

Reporting on the state of British Columbia's forests is an integral part of the ministry's performance planning framework. As an ongoing body of work, these reports will provide a concise, credible, balanced overview of the sustainability of forest management in the province. Using internationally recognized sustainability indicators, as well as indicators that are of particular importance to the B.C. situation, the reports will provide details on the current state of the environmental, socioeconomic and administrative aspects of forest sustainability. The reports will also identify trends in those areas. Designed for governments, environmental organizations, industry and the public in B.C. and internationally, the reports will help readers access more detailed information and help the ministry identify significant gaps in information.

During 2000/01, as planned, the ministry met its *Business Plan 2000 - 2001* target of completing a prototype to guide the preparation of future State of the Forest Reports.

Landscape-Unit Planning Initiative

This initiative has two main purposes: to address biodiversity at the watershed level, and to provide clear direction for sustainable forest management. This work will help define the land base available for timber production and provide direction for integrated management of forest resources (including the establishment of old-growth management areas and the determination of targets for wildlife tree retention). The mechanism for doing this is establishing legal objectives for landscape units.

In the near term, the primary focus is to establish objectives for the conservation of old-growth and the retention of wildlife trees. All operational plans prepared under the Forest Practices Code must be consistent with any landscape-unit objectives.

Although delays were experienced in meeting the initial *Business Plan 2000 - 2001* target set for this initiative (i.e., advertise objectives for 75 landscape-unit plans) because required consultations were not done, substantial background work was completed during 2000/01. Landscape-unit data

QUICK FACTS

Wildfires

2000/01:	1,538
1999/00:	1,214

Table D-1

Area burned by wildfires in B.C.

2000/01:	16,407 ha
1999/00:	13,989 ha

Table D-2

Cost of direct fire fighting*

2000/01:	$52.7 million
1999/00:	$21.1 million

Table 2

*Net of recoveries

preparation was substantially completed in at least 16 of the province's 40 forest districts. Further data analysis was completed in seven districts.

Proposed objectives were advertised for public review for two landscape units. For one of those units, the objectives were moved forward to the legal establishment phase.

Forest Health Initiative

The goals of the Forest Health Initiative are to maintain and improve the health of B.C.'s forests by detecting, recording and mitigating losses caused by forest insects and disease. The ministry's targets under this initiative in 2000/01 were to minimize bark beetle expansion through control measures (as per the five-year Forest Health Plan), and to eradicate gypsy moth populations in Burnaby.

The ministry has re-established an annual provincial aerial overview survey, which will enable broad-scale tracking of significant forest pests – primarily bark beetles and defoliators. Current data are available at www.for.gov.bc.ca/hfp/FORSITE/overview/overview.htm, and historical data are being appended as they become available.

Mountain pine beetle continues to aggressively infest mature lodgepole pine stands in the central Interior of B.C. (see Table C-22). A total of $15 million in additional funding was allocated to bark beetle control in 2000/01.

Successful aerial applications of the pesticide Foray 48B® eradicated gypsy moth populations on the north side of Burnaby Lake, in Burnaby. In Sechelt, the first year of a two-year program using a mass-trapping technique to control gypsy moth was completed.

STRATEGIC GOAL 2:
Ensure that the province's forests, range and associated recreation resources contribute to the economic well-being of its citizens and communities.

Softwood Lumber Initiative

The Canada/U.S. Softwood Lumber Agreement limits the volume of lumber that can be shipped to the United States, without payment of export fees, from B.C., Alberta, Ontario and Quebec. The government of Canada implemented the agreement through a quota system that allocates the fee-free volume among individual lumber producers in the four covered provinces. The agreement was scheduled to expire on March 31, 2001.

The Ministry of Forests, both directly and through the B.C. Softwood Lumber Advisory Committee, helped the government of Canada administer the agreement, in several ways. It supported a negotiated settlement of a dispute on the reclassification by U.S. Customs of rougher-headed lumber, and the allocation of additional lumber quota to rougher-headed lumber producers. It also provided technical support in an arbitration case on other reclassifications by U.S. Customs, and developed recommendations for the allocation of additional quota available under the agreement to address hardships and inequities in B.C.

During 2000/01, the ministry continued preparations for the expiry of the agreement on March 31, 2001 by providing leadership at the national and provincial levels in attempting to ensure continued access to the U.S. market. That work included consulting with the federal government and various stakeholder interests in B.C. and preparing legal, economic and factual analyses in anticipation of a probable U.S. trade action. Achievement of the *Business Plan 2000 - 2001* target of unfettered access to the U.S. market for B.C. softwood lumber cannot properly be assessed and evaluated until the scope and nature of a U.S. trade action are known.

Forest Policy Review Implementation Initiative

Under this initiative, the Minister of Forests asked the Jobs and Timber Accord Advocate, in mid-1999, to review existing forest policy. This review is an integral part of a wider effort to achieve a renewed, diversified and internationally competitive forest sector in B.C. To reach that goal, the province needed to examine its existing policy framework and look at innovative forest management that will allow it to attract new investment in the sector while promoting strong community participation, a greater emphasis on high-value made-in-B.C. products, and world-leading environmental standards. B.C.'s public forests must provide an adequate social dividend in jobs and healthy communities while encouraging innovation and diversification in forest management and production.

QUICK FACTS

Average stumpage prices

2000/01:	$18.05/m^3
1999/00:	$21.18/m^3

Table C-1

The review included community workshops across the province, attended by representatives from the Union of British Columbia Municipalities, the forest sector, business, labour, environmental groups, and First Nations. Consultations were also held with key provincial stakeholders and the public. The final report, Shaping Our Future, was released on April 5, 2000 (www.for.gov.bc.ca/pab/pc/review/index.htm). It included forest policy recommendations about land-use planning, Forest Renewal BC, First Nations, tenure, pricing, communities and workers.

The ministry has identified a number of initiatives of interest in the final report, including the expansion of the Community Forest Agreements program, moving toward market-based pricing, implementation of landscape-unit planning, special and enhanced zoning, and the creation of a working forest. The ministry is working on community forests and market-based pricing initiatives, and it plans to work on others.

First Nations Forest Strategy

The Ministry of Forests started developing the First Nations Forestry Strategy in November 1999. A framework for addressing treaty- and non-treaty–related forestry issues, the strategy is a way for First Nations to build a stake in the forest sector in a pre-treaty environment.

This initiative is an integral component of a larger provincial government treaty-related measures strategy to provide opportunities for First Nations to achieve some of their economic objectives in the short term. It is also an important incentive for First Nations to continue participating in the treaty process. The First Nations Forest Strategy is not limited to treaty-related measures; it includes components that provide benefits to all First Nations, including those not currently involved in the treaty process.

The strategy captures ongoing opportunities for First Nations and rolls them into a strategic approach without limiting existing programs. The major components of the strategy include ministry support for capacity-building initiatives, facilitating joint ventures with industry, providing access to timber/tenures and supporting treaty-related measures.

Ministry targets for 2000/01 were to:

- implement three access-to-timber pilots under the Premier's Economic Summit,
- increase the number of forest-sector business arrangements involving First Nations,
- complete 10 Traditional Use Studies,
- have 17 current students complete the Forest Technician Training Program, and
- increase the number of pre-treaty and treaty-related agreements being developed or supported.

The ministry was able to meet or exceed all of its targets for the First Nations Forest Strategy. Three access-to-timber pilots involving five First Nations forest-sector licensee partnerships have been established and are now underway. Ten Traditional Use Studies were completed. An additional large-scale Traditional Use Study has been extended and will also be completed by October. Eighteen students completed the academic portion of the Forest Technician Training Program, with 17 going on to their practical work term.

Consistent with the strategy, the ministry began negotiations on forest interim measures with a number of First Nations in fall 2000. In conjunction with the Ministry of Aboriginal Affairs, 21 agreements were reached, with the following First Nations: Huu-ay-aht and Uchucklesaht; Westbank; Wet'suwet'en; Cowichan; Ditidaht and Pacheedaht; Heiltsuk; Tsimshian Tribal Council; Kaska Dena; Tsay Keh Dene; Carrier Sekani Tribal Council; Cariboo Tribal Council; Haisla; Council of the Haida Nation; Tsleil-Waututh; Lower Similkameen; Neskonlith and Adams Lake; and Lheidli T'enneh and the Nicola Tribal Association.

Many of the 21 agreements concluded involved forest-sector business arrangements among First Nations, the province, Canada, licensees, training organizations, and contractors/suppliers.

Certification of Forest Products Initiative

Certification of forest management took on new prominence within the B.C. forest sector in 2000/01. First, increasing numbers of buyers of wood products – ranging from wood products manufacturers and pulp purchasers to home improvement retailers – continue to request that suppliers pursue certification to a range of environmental standards. Some buyers have set procurement policies with deadlines in 2002 or 2003. Second, significant numbers of forest product producers successfully achieved certification under one or more systems during 2000/01. Given the public land ownership of the majority of the province's forest lands, the ministry has taken a strong policy and implementation interest in preparing for certification to work effectively in B.C.

Certification is a voluntary, market-based instrument that requires a company to demonstrate, through a third-party audit, that it conforms to one of a number of standards.

During this year in British Columbia, there were:

- 18 new International Standards Organization (ISO) Environmental Management System 14001 Standard (ISO 14001) certifications (versus six in 1999/00),
- seven new Canadian Standards Association Sustainable Forest Management System standards (CSA SFM Z808/Z809) certifications (versus two in 1999/00),

QUICK FACTS

Forest operations compliance

2000/01:	40,293 inspections
1999/00:	43,963 inspections

Table C-27

QUICK FACTS

Harvesting licences and agreements

2000/01: 6,408

1999/00: 6,490

Table C-6

- two new international Forest Stewardship Council (FSC) International Principles and Criteria certifications (no change), and
- two American Forest and Paper Association's Sustainable Forestry Initiative (SFI) Program certifications (versus none the previous year).

In total, licensees responsible for the management of 19 million hectares and more than 30 per cent of the annual harvest volume in B.C. received certification under one or more system during the past two years. Many other companies are actively preparing for certification. The ministry has taken a lead role to encourage operators to prepare for certification. It has also initiated an education program within government to ensure that staff in all forest regions and districts are equipped to respond to licensees and certifiers who require government data and contact to successfully complete certifications.

Also during 2000/01, the ministry was extensively involved in helping producers prepare for certification in the B.C. fores sector, and in encouraging standards that are feasible, appropriate for the B.C. context, and globally equitable. Among other activities, the ministry:

- participated on the CSA SFM national technical committee and contributed to the 2000/01 proposed formal revision of the standard to ensure increased clarity and feasibility for certifiers and operators in the field,
- participated on the B.C. FSC Regional Standards development team, to provide input as the FSC began to design a regional standard,
- reviewed and made recommendations about certifier checklists used by certifiers as interim FSC standards,
- contributed to the national Canadian advisory committees on ISO environmental and labelling standards,
- launched a certification pilot program within the Small Business Forest Enterprise Program (SBFEP), which includes more than 1,000 small-contract loggers, value-added manufacturers, and a variety of small-tenure opportunities around the province,
- implemented four area-based certification pilots to test CSA, FSC and ISO requirements, and
- implemented ISO 14001 in the Vancouver Forest Region (not yet certified).

With this work, the ministry met or made progress on all of its targets under this initiative from the *Business Plan 2000 - 2001.*

Implement New Small Business Forest Enterprise Strategy

The Small Business Forest Enterprise Program (SBFEP) implemented a revised program strategy in early 2000/01. This strategy continued past objectives of profitability for government, and making timber available to a

diverse profile of independent entrepreneurs. This was one of the targets from the *Business Plan 2000 - 2001.*

In response to public and market expectations, a third focus for the program – sustainable forest management – was given prominence this year. The strategy for the province was incorporated into all forest region operations, and regional strategy documents guide implementation.

The program continued to sell all available timber, offering more than 3,000 different sales, ranging from a few cubic metres to 1 million m^3. Program harvests continued to be well above the average of the last 10 years, with the direct financial dividend to government shrinking slightly due to poorer lumber and log markets and a large volume of poorer-quality, beetle-damaged timber harvested in aid of pest management.

In sustainable forest management, the program's Business Plan target was to implement an Environmental Management System for the SBFEP in all forest districts in 2000/01. That target was not met, but significant progress was made. The program developed an Environmental Management System to both improve the ministry's ability to manage the land base consistently, and to support forest management certification efforts under ISO 14001 to maintain B.C.'s place in world markets. The Environmental Management System was piloted in the Vancouver Forest Region and at two Interior sites – in the Salmon Arm and Prince George forest districts. Extensive staff and licensee training was undertaken and will continue during the next year to meet ISO 14001 standards.

The program's third *Business Plan* target is to have 60 per cent of all sales in the Vancouver Forest Region come from alternative silviculture systems by the end of 2005. In 2000/01, the Vancouver Forest Region was on target to meet a commitment to increase the volume of new sales requiring a non-clearcutting harvest – the target being 60 per cent by 2005.

Bridge Replacement Initiative

Under this initiative, deteriorated bridges on Forest Service roads are replaced. These bridges are necessary to keep the roads open for timber harvesting and fibre flow, forest management, public access and safety, and environmental protection.

In 1996, Forest Renewal BC approved the $70 million Bridge Replacement Program for the replacement, over a five-year period, of some 1,100 deteriorated bridges and major culverts on Forest Service roads. Priority was given to structures on roads that were used to access timber. Under the program, licensees either replaced the bridges themselves, or contracted-out the work. As of March 31, 1999, having provided $30 million, Forest Renewal BC withdrew funding for the program because it anticipated reductions in its projected revenues, and had re-evaluated its core strategic objectives.

QUICK FACTS

Productive forest land in B.C. in TSAs and TFLs

2000/01:	45.4 million ha
1999/00:	45.9 million ha

Table 4

In July 1999, Treasury Board approved continuing the program and provided $15 million to the ministry for 1999/00, and a commitment to provide $10 million in each of 2000/01 and 2001/02.

The *Business Plan 2000 - 2001* target was to replace 140 bridge structures. During 2000/01, 109 bridges and major culverts were replaced under this initiative, and materials were purchased for several more bridges. Expenditures totalled approximately $9 million. The disparity between actual and planned expenditures was due to re-prioritizing during the year, which resulted in fewer but more expensive structures being built within the allocated budget.

STRATEGIC GOAL 3:
Be a strong, dynamic and adaptable organization focused on achieving its strategic goals.

Strategic Management Framework Initiative

The ministry has now established four long-term goals that are derived both from its mandate, as expressed in legislation and policies, and from broader provincial forest policy objectives. During 2000/01, the ministry identified strategies to achieve the objectives associated with these goals, and is now implementing them. It also met its *Business Plan 2000 - 2001* target of developing corporate performance measures and targets, by March 31, 2001, to indicate how successful the ministry is in achieving its goals and objectives.

Details of the ministry's corporate performance measures and targets are provided in the *Performance Plan 2001/02 - 2003/04* (www.gov.bc.ca/for).

Training and Succession Planning Initiative

The ministry recognizes that an organization's capacity to learn and adapt to changing conditions is essential for building and sustaining a competitive edge. To ensure that the ministry is proactive in meeting its training and succession needs over the next several years, it has identified $1 million in funding for training and succession planning. The latter will involve identifying key positions and geographical locations, and their associated competencies.

The ministry met its *Business Plan 2000 - 2001* target of implementing a prioritized training plan, within budget. The ministry partially met its target of approving a succession plan model and implementing the initial steps: the model was developed and approved, in principle, but was not implemented, because the financial requirements still need to be reviewed.

Continuous Improvement Initiative

The ministry continues its work to build a more sustainable, cost-effective and strategic way to deliver its mandate and services with redesigned business, management and leadership processes and practices. Its long-term objectives are to:

- improve performance in all areas of ministry business,
- be more responsive and adaptive in meeting public and government expectations and priorities,
- provide staff with the skills, tools, knowledge and ability they need to fulfill their responsibility for ongoing performance improvement, and
- enhance partnerships and relationships with stakeholders.

The results of this initiative to date include:

- time and cost savings in key business areas for both government and forest licensees,

- improved assessment and management of risk,
- better consistency and transparency of ministry business processes and practices,
- shared accountability for performance,
- the development of new leaders at all levels of the organization, which will help the ministry deal with succession issues, and
- the emergence of a corporate culture that is intent on achieving ongoing performance improvement in meeting strategic goals.

During 2000/01, the ministry exceeded its *Business Plan 2000 - 2001* target of delivering continuous improvement curriculum in three forest regions: by March 31, 2001, curriculum was underway or had been delivered in four forest regions.

Equity and Diversity Initiative

One of the ministry's basic objectives is to integrate equity and diversity into its day-to-day operations. To support this objective, ministry staff have been provided with education and training on equity, diversity and discrimination prevention. Remedial measures to address past inequities have been put in place.

Business Plan 2000 - 2001 targets under this initiative were to:

- have new hires from designated (i.e., visible minority) groups reflect the distribution of the overall provincial population,
- increase designated group representation in technical-, professional- and management-level positions, and
- provide discrimination-prevention training to 100 per cent of ministry staff.

The ministry was unable to determine whether or not it had met its first target by the end of 2000/01, because the BC Statistics report on the ministry's workforce profile had not been released. The expectation was, however, that the target would not be met because of limited staffing actions during 2000/01.

The second target under this initiative was also not met because of limited out-of-service staffing actions during this year. Within that, there was found to be a lack of qualified individuals within the designated groups for the technical and professional positions that the ministry needed to fill.

In providing discrimination-prevention training, the ministry revised its target to 90 per cent at the end of the first quarter (June 30, 2000), because of difficulties encountered in arranging for train-the-trainer sessions. By March 31, 2001, the revised target had been exceeded: 93 per cent of ministry staff received the training this year.

STRATEGIC GOALS FOR 2001/02

The vision of the Ministry of Forests is:

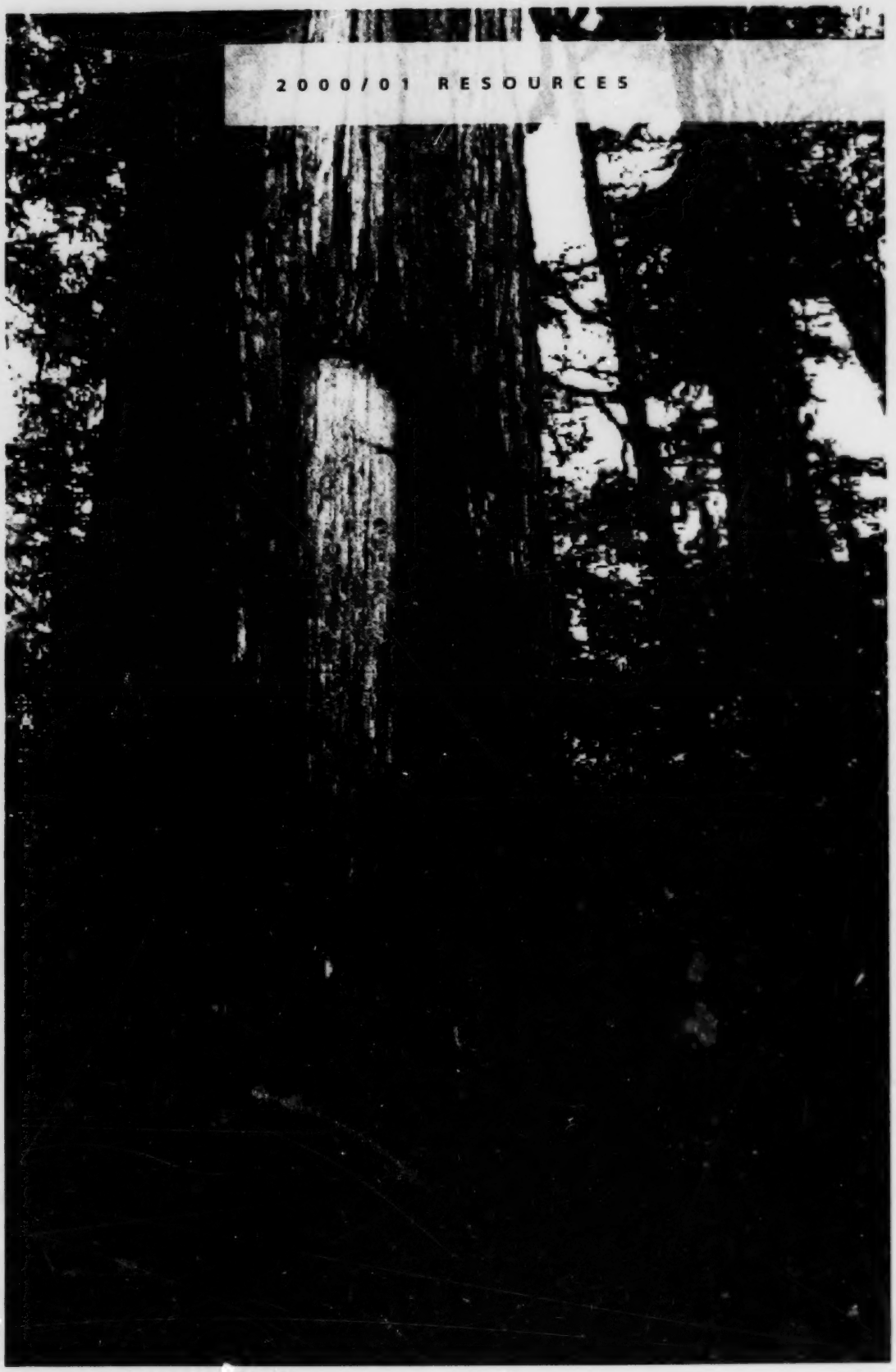
The British Columbia Forest Service is universally recognized as a leader in sustainable management of forests and range lands.

To help achieve that vision, the ministry has developed four strategic goals to guide its activities and decision-making in 2001/02:

- healthy forests,
- a strong forest economy,
- all British Columbians benefit from the sustainable use of their forests, and
- an effective sustainable forest manager.

As it works toward those goals, the ministry will continue to meet its mandate and support provincial government priorities.

Details are included in the ministry's *Performance Plan 2001/02 - 2003/04* (available at www.gov.bc.ca/for).



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TABLES DIRECTORY

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Notes:

All financial data for 2000/01 contained in this section are based on an accrual accounting system, and are unaudited.

Data for the detailed silviculture tables and graphs for 2000/01 field season accomplishments are not available until fall 2001. At that time, they will be added to this information. In this section, Table 6 is affected.

In all tables in this report, a dash (–) equals zero.

TABLE 1: REVENUE IN 2000/01, BY CATEGORY, BY OFFICE OR FOREST REGION

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
	$000							
CATEGORY								
Stumpage[1] (major licensee)	$83,114	$165,709	$58,056	$310,804	$84,835	$281,042	($12,443)	$971,117
Harvesting rents and fees	1,845	1,965	1,306	4,218	1,962	6,143	(261)	17,178
Commissions	–	–	–	–	–	–	(21)	(21)
Doubtful accounts	–	–	–	–	–	–	(14,850)	(14,850)
Small Business Forest Enterprise Program[1]	37,909	43,807	24,340	81,186	30,260	57,108	(2,976)	271,634
Export fees	–	4	37	34	282	1,363	–	1,720
Range fees	674	753	192	352	79	3	–	2,053
Waste	4	23	40	110	4	1,008	–	1,189
Penalties	–	–	17	41	99	–	–	157
Interest	97	127	274	1,635	2,635	1,022	991	6,781
Miscellaneous	96	117	145	285	163	332	378	1,516
TOTALS	**$123,739**	**$212,505**	**$84,407**	**$398,665**	**$120,319**	**$348,021**	**($29,182)**	**$1,258,474**

[1] Major Stumpage and Small Business Forest Enterprise Program include amounts transferred to Forest Renewal BC (e., gross revenues).

Figures may not add due to rounding.

TABLE 1A: MINISTRY ACCOUNTS RECEIVABLE ACTIVITY

	2000/01	1999/00	1998/99
	$000		
ACTIVITY			
Balance at April 1	$364,184	$77,168	$358,825
Additions and adjustments	1,241,577	1,667,094	799,060
Cash collections	(1,338,075)	(1,378,541)	(1,075,654)
Write-offs	(31)	(14)	(3,900)
Extinguishments and remissions	(2,017)	(1,523)	(1,163)
Balance at March 31	**265,638**	**364,184**	**77,168**
Provision for doubtful accounts	(36,750)	(18,956)	(16,671)
NET REALIZABLE BALANCE	**228,888**	**345,228**	**60,497**
Valuation allowance expenditure[1]	19,800	3,800	5,000

[1] Increase in allowance for doubtful accounts.

TABLE 1B: AGED ACCOUNTS RECEIVABLE

	Current	29-56 Days	57-84 Days	Over 84 Days	Total
			$		
YEAR AS AT					
March 31, 2001	$175,550,222	$29,580,897	$1,450,933	$59,056,395	$265,638,447
March 31, 2000	247,570,874	52,444,812	2,658,779	61,482,214	364,156,679
March 31,1999	342,185,147	2,287,866	7,276,823	72,871,567	424,621,403

Table 2: Expenditures and Full-Time Equivalents (FTEs)[1] in 2000/01, by Source of Funds

	EXPENDITURE	
	Forecast	Actual
	$000	
SOURCE OF FUNDS		
Vote 34: Ministry Operations		
A. Minister's Office	$425	$418
B. Corporate Services (net of recoveries)	42,916	36,387
C. Forest Resource Management (net of recoveries)		
I. Headquarters Resource Management	38,239	52,646
II. Region and District Operations	224,103	216,232
Total Vote 34	**305,683**	**305,683**
Vote 35: Fire Suppression		
D. Direct Fire Fighting (net of recoveries)	52,744	52,744
E. Fire Preparedness (net of recoveries)	46,506	46,474
Total Vote 35	**99,250**	**99,218**
Total Voted	**404,933**	**404,901**
Special Accounts – Statutory		
Interest on Revenue Refunds	366	366
F. Forest Stand Management Fund	1,650	1,648
G. SBFEP	149,017	149,017
H. South Moresby Implementation Forest Replacement	4,493	269
Total Special Accounts – Statutory	**155,526**	**151,300**
TOTALS	**$560,459**	**$556,201**
	FTEs	
	4,465	**4,098**

[1] The concept of full-time equivalent (FTE) is based on the normal working hours of one full-time employee for a one-year period (1,827 hours) and is used to account for all personnel on a similar basis.

[2] Small Business Forest Enterprise Program. Amount shown is actual expenditures net of excess revenue transferred to the General Revenue Fund.

Amounts shown reflect the final allocation for the year and include all transfers approved by Treasury Board and the ministry executive during the year.

Table 3: Expenditures in 2000/01 by Category, by Office or Forest Region

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
	$000							
CATEGORY								
Salaries and benefits	$23,281	$30,206	$27,491	$35,077	$24,126	$39,001	$75,025	$254,207
Professional services	12,300	20,658	14,631	23,754	15,463	17,380	31,389	135,575
Other expenses	7,360	10,715	23,929	13,437	15,952	17,357	77,669	166,419
TOTALS	**$42,941**	**$61,579**	**$66,051**	**$72,268**	**$55,541**	**$73,738**	**$184,083**	**$556,201**

TABLE 4: PRODUCTIVE FOREST LAND[1] IN 2000/01 IN TIMBER SUPPLY AREAS[2], AND TREE FARM LICENCES[3], BY FOREST REGION

	Mature Timber[4]	Immature Timber[4]	Not Stocked[5]	Totals
	000 hectares			
REGION				
Cariboo	3,317	1,991	288	5,595
Kamloops	2,479	1,700	168	4,348
Nelson	1,410	1,745	156	3,311
Prince George	10,482	6,588	1,559	18,630
Prince Rupert	6,277	1,690	466	8,432
Vancouver	3,163	1,788	125	5,076
TOTALS	**27,128**	**15,502**	**2,762**	**45,392**

[1] The province's total area is 94.8 million hectares (updated from the *1994 Forest, Range and Recreation Resource Analysis*, and *Just the Facts*, both Ministry of Forests).

A timber supply area (TSA) is an area of the province designated by the Ministry of Forests for the purposes of analysis, planning and management of timber resources. Boundaries have been determined on the basis of present and expected population centres, transportation networks, manufacturing facilities, and existing administrative boundaries. TSA report data are derived from the latest assembled data files produced by the Resources Inventory Branch as of April 2001.

[3] Tree farm licence (TFL). The private and Crown lands comprising the licence are described as Schedule A lands or Schedule B lands. Schedule A lands are Crown-granted lands (privately owned lands), or timber licences which are now included in the licence area. Schedule B lands are Crown lands other than timber licences. TFL report data are derived from licensee submissions, except for the following: TFL 47's Mature figure includes licensee categories of Old Growth and Inoperable. Immature includes the licensee category Deciduous.

[4] Stands with lodgepole pine and whitebark pine or deciduous species as the leading species are categorized as immature if the stand age is 80 years or less; when the stand age is greater than 80 years, the stand is categorized as mature. Otherwise, all stands having conifers other than lodgepole pine and whitebark pine as the leading species are categorized as immature when the stand age is 120 years or less; when the stand age is greater than 120 years, the stand is categorized as mature.

[5] Not Stocked Productive Forest Land includes areas (Current and Pre-1982 Backlog) that were disturbed by harvesting, wildfire or other causes, and were not satisfactorily restocked. Anticipated regeneration delay may be between one and seven years on current lands that are not satisfactorily restocked. Also includes non-commercial areas, either covered with commercial tree species, or at least 60 per cent covered with brush that is higher than 1 metre.

TABLE 5: DELETION OF LAND FROM PROVINCIAL FORESTS[1] IN 2000/01, BY FOREST REGION

	DESIGNATED USE OF LAND DELETED						
	Agriculture	Industry and Transportation	Parks and Recreation*	Commercial	Residential	Other	Totals
	hectares						
REGION							
Cariboo	93.40	4.88	0.85	0.95	0.36	4.48	104.91
Kamloops	3.02	–	–	5.92	–	57.00	65.94
Nelson	–	–	–	7.26	0.89	345.10	353.25
Prince George	131.78	–	–	–	–	–	131.78
Prince Rupert	–	–	–	6.99	2.50	23.99	30.98
Vancouver	–	–	–	–	–	0.19	0.19
TOTALS	**228.20**	**4.88**	**0.85**	**21.12**	**1.24**	**430.76**	**687.05**

[1] Established under section 5(1) of the *Forest Act*.

* During the past few years, a number of parks and protected areas were established within provincial forests under the *Park Act*. These areas will be deleted from the provincial forests in the future.

Note:

All financial data for 2000/01 contained in this section are based on an accrual accounting system, and are unaudited.

TABLE A: MINISTER'S OFFICE EXPENDITURES IN 2000/01, BY CATEGORY OF EXPENDITURE

	Totals
	$000
CATEGORY	
Salaries and benefits	$392
Professional services	-
Other expenses	26
TOTAL	**$418**

TABLE B: CORPORATE SERVICES EXPENDITURES IN 2000/01, BY OFFICE OR BRANCH

	Totals
	$000
OFFICE OR BRANCH	
Deputy Minister's Office	$864
Assistant Deputy Minister - Management Services	1,001
Assistant Deputy Minister - Policy and Economics	499
Communications Branch	2,267
Corporate Policy and Planning Branch	1,002
Corporate Staff Mitigation	265
Corporate Training	200
Economics and Trade Branch	4,762
Financial Management Branch	14,005
Human Resources Branch	2,160
Information Management Group	9,362
TOTAL	**$36,387**

TABLE C: FOREST RESOURCE MANAGEMENT
I: HEADQUARTERS RESOURCE MANAGEMENT EXPENDITURES IN 2000/01, BY OFFICE OR BRANCH

	Totals
	$000
OFFICE OR BRANCH	
Aboriginal Affairs Branch	$2,261
Assistant Deputy Minister - Forestry	658
Assistant Deputy Minister - Operations	448
Assistant Deputy Minister - Management Services	1
Business Process Improvement	736
Compliance and Enforcement Branch	1,413
Corporate Expenditures	5,709
Corporate Legal Services	478
Corporate Staff Mitigation	616
Financial Management Branch	4,366
Forest Enterprises Branch	1,573
Forest Practices Branch	6,408
Forestry Division Services Branch	1,699
Research Branch	7,221
Resource Tenures and Engineering Branch	4,999
Resources Inventory Branch	4,694
Revenue Branch	4,949
Timber Supply Branch	1,623
Tree Improvement Program	2,794
TOTAL	**$52,646**

TABLE C: FOREST RESOURCE MANAGEMENT
II: REGION AND DISTRICT OPERATIONS EXPENDITURES IN 2000/01, BY OFFICE OR FOREST REGION

	Totals
	$000
OFFICE OR REGION	
Assistant Deputy Minister - Operations Recoveries	($34,539)
Corporate Staff Mitigation	1,433
Corporate Training	631
Financial Management Branch	30,870
Information Management Group	12,882
Cariboo Forest Region	27,581
Kamloops Forest Region	32,810
Nelson Forest Region	30,466
Prince George Forest Region	42,562
Prince Rupert Forest Region	29,461
Vancouver Forest Region	42,075
TOTAL	**$216,232**

Table D: Direct Fire Fighting Expenditures in 2000/01, by Activity, by Office or Forest Region

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
				$000				
ACTIVITY								
Resource availability	$67	$113	$315	$127	$57	$109	$3,093	$3,881
Direct fire fighting	160	3,736	8,420	807	99	365	12,653	26,240
Emergency equipment	4	1	14	–	1	1	3,375	3,396
Air tanker flying	–	–	1	–	–	33	5,059	5,093
Fire support flying	209	2,217	8,630	1,385	191	1,417	3,074	17,123
Direct fire recoveries	–	–	–	(3)	–	–	(2,986)	(2,989)
TOTALS	**$440**	**$6,067**	**$17,380**	**$2,316**	**$348**	**$1,925**	**$24,268**	**$52,744**

Table E: Fire Suppression Preparedness Expenditures in 2000/01, by Activity, by Office or Forest Region

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
				$000				
ACTIVITY								
Activity management	$3,437	$5,267	$3,794	$4,798	$3,099	$4,162	$35,270	$49,827
Recoveries	(28)	(135)	(7)	(29)	–	(13)	(3,141)	(3,353)
TOTALS	**$3,409**	**$5,132**	**$3,787**	**$4,769**	**$3,099**	**$4,149**	**$22,129**	**$46,474**

Table F: Forest Stand Management Fund Expenditures in 2000/01, by Category of Expenditure, by Office or Forest Region

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
				$000				
CATEGORY								
Salaries and benefits	–	131	–	–	–	–	–	$131
Professional services	242	577	89	–	–	–	28	$936
Other expenses	2	479	63	–	–	–	37	581
TOTALS	**$244**	**$1,187**	**$152**	**–**	**–**	**–**	**$65**	**$1,648**

TABLE G: SMALL BUSINESS FOREST ENTERPRISE PROGRAM (SBFEP) EXPENDITURES IN 2000/01, BY ACTIVITY, BY OFFICE OR FOREST REGION

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
				$000				
ACTIVITY								
Administration	–	–	–	–	–	–	$37,175	$37,175
Harvesting - sales	$1,756	$5,465	$2,449	$3,224	$4,584	$6,332	3,108	26,918
Harvesting - roads	3,938	7,253	5,963	7,148	12,221	9,355	379	46,257
Silviculture	3,829	4,689	3,570	8,438	3,237	5,412	9,102	38,277
Protection	20	30	44	164	41	91	–	390
TOTALS	**$9,543**	**$17,437**	**$12,026**	**$18,974**	**$20,083**	**$21,190**	**$49,764**	**$149,017**

TABLE H: SOUTH MORESBY IMPLEMENTATION EXPENDITURES IN 2000/01, BY CATEGORY OF EXPENDITURE, BY OFFICE OR FOREST REGION

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Victoria	Totals
				$000				
ACTIVITY								
Salaries and benefits	–	–	–	–	–	$19	–	$19
Professional services	–	–	–	–	–	238	–	238
Other	–	–	–	–	–	12	–	12
TOTALS	**–**	**–**	**–**	**–**	**–**	**$269**	**–**	**$269**

NOTE:

Data are best available information at the time of reporting.

Data for the detailed silviculture tables and graphs for 2000/01 field season accomplishments are not available until fall 2001. At that time, they will be added to this information. Tables and graphs affected in this section: C-4, C-14, C-15, C-16, C-17, C-18, C-19, C-20, C-21, C-23, C-24, C-25, C-26, F-1, G-2, H-1, X-1, X-2 and X-3, and silviculture graphs 1 through 10.

TABLE C-1: VOLUME AND AVERAGE STUMPAGE PRICES[1] IN 2000/01, BY FOREST REGION

	ALL SPECIES	
	Volume	**Price**
	$000m^3$	$/m^3$
REGION		
Cariboo	6,345	$15.07
Kamloops	7,618	22.26
Nelson	4,957	12.00
Prince George	14,263	23.52
Prince Rupert	6,711	13.56
Vancouver	14,522	15.90
COAST TOTAL[2]	**14,757**	**15.69**
INTERIOR TOTAL	**39,658**	**18.92**
PROVINCE TOTAL	**54,415**	**$18.05**

[1] Based on stumpage billings from Crown land, excluding the Small Business Forest Enterprise Program, timber licences, waste, special forest products, and firmwood rejects.

[2] Coast includes the Vancouver Forest Region plus the North Coast Forest District of the Prince Rupert Forest Region. The rest of the province is Interior.

Figures may not add due to rounding.

TABLE C-2: VOLUME OF ALL PRODUCTS BILLED[1] IN 2000/01, BY LAND STATUS, BY FOREST REGION

REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Coast[2]	Interior	Totals
					000m^3				
LAND STATUS									
Crown land									
Forest licence	5,601	6,092	3,371	12,049	5,392	6,451	6,699	32,258	38,957
Tree farm licence (TFL)	317	601	1,050	849	842	8,626	8,626	3,661	12,287
Timber licence within a TFL	–	–	31	–	–	1,842	1,842	31	1,873
Timber licence outside of a TFL	–	53	37	–	–	726	726	89	816
Woodlot licence	214	204	142	312	178	203	203	1,050	1,253
Other[3]	279	835	516	1,246	379	182	189	3,248	3,437
SUB-TOTALS	**6,412**	**7,784**	**5,148**	**14,456**	**6,791**	**18,031**	**18,286**	**40,337**	**58,623**
SBFEP[4] Section 20	548	534	465	1,590	752	1,018	1,157	3,751	4,908
SBFEP Section 21	575	621	244	1,127	479	644	654	3,036	3,690
SBFEP Other	376	434	147	238	289	190	201	1,474	1,675
SUB-TOTALS	**1,499**	**1,589**	**857**	**2,956**	**1,520**	**1,852**	**2,012**	**8,261**	**10,273**
TOTAL CROWN LAND	**7,911**	**9,373**	**6,005**	**17,411**	**8,312**	**19,884**	**20,298**	**48,597**	**68,895**
Private land									
Within a TFL	–	–	1	–	–	762	762	1	763
Outside of a TFL	181	329	909	1,320	86	4,911	4,912	2,824	7,735
TOTAL PRIVATE LAND	**181**	**329**	**910**	**1,320**	**86**	**5,673**	**5,674**	**2,825**	**8,499**
Federal land and First Nations reserves	1	6	1	2	*	25	25	10	35
TOTALS	**8,093**	**9,708**	**6,915**	**18,733**	**8,398**	**25,582**	**25,997**	**51,432**	**77,429**

[1] Volumes include waste and firmwood rejects. Waste billings were not included prior to 1996/97, and in 2000/01 they accounted for 1,440,000 cubic metres.

[2] Coast includes the Vancouver Forest Region plus the North Coast Forest District of the Prince Rupert Forest Region. The rest of the province is Interior.

[3] Includes Schedule B lands only.

[4] Includes licences to cut, non-SBFEP timber sale licences, rights-of-way, beachcomb and miscellaneous.

[5] Small Business Forest Enterprise Program.

* Indicates volume of less than 1,000 cubic metres.

Figures may not add due to rounding.

TABLE C-3: VOLUME OF ALL PRODUCTS BILLED[1] IN 2000/01, BY SPECIES, BY FOREST REGION

REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Coast[2]	Interior	Province
	000m^3								
SPECIES									
Balsam	182	854	640	1,806	2,030	2,932	3,030	5,414	8,444
Cedar	36	614	600	112	243	5,610	5,735	1,480	7,214
Cypress	*	*	–	–	15	850	864	1	965
Douglas-fir	876	1,997	1,134	346	4	6,145	6,145	4,357	10,502
Hemlock	60	283	469	97	1,779	7,874	8,000	2,562	10,563
Larch	*	126	433	1	*	*	*	560	560
Pine, lodgepole	5,646	3,903	2,272	7,350	2,662	60	60	21,834	21,894
Pine, white	–	45	58	*	*	38	38	104	142
Spruce	1,132	1,693	1,129	6,318	1,556	522	554	11,796	12,350
Deciduous	82	62	7	2,458	26	436	437	2,634	3,071
Other[3]	79	131	173	245	83	1,114	1,133	692	1,825
TOTALS	**8,093**	**9,708**	**6,915**	**18,733**	**8,398**	**25,582**	**25,997**	**51,432**	**77,429**

[1] Includes all harvesting on Crown, private and federal lands, and on First Nations reserves.

[2] Coast includes the Vancouver Forest Region plus the North Coast Forest District of the Prince Rupert Forest Region. The rest of the province is Interior.

[3] Other species include whitebark pine, yellow pine and yew. Also includes waste and firmwood rejects of all species.

* Indicates volume of less than 500 cubic metres.

Figures may not add due to rounding.

TABLE C-5: VOLUME OF LOGS EXPORTED FROM B.C. IN 2000/01, BY SPECIES

Exports	Exported Under Permit[1]	Other Exports[2]	Totals
	000m^3		
SPECIES			
Balsam	168	49	217
Cedar	*	144	144
Cypress	–	22	22
Douglas-fir	242	972	1,214
Hemlock	411	193	604
Pine	8	2	10
Spruce	87	3	90
Other softwood	*	1	1
TOTAL SOFTWOOD	**916**	**1,386**	**2,302**
Hardwood	14	2	16
TOTAL HARDWOOD	**14**	**2**	**16**
TOTALS	**930**	**1,388**	**2,318**

[1] Export permit granted under section 128 of the *Forest Act*. Logs harvested from provincial Crown land, from private land within a tree farm licence area, and from private land granted by the Crown after March 12, 1906.

[2] No export permit required under the *Forest Act*. Logs harvested from private land that was granted by the Crown prior to March 12, 1906, and is not within a tree farm licence area, and logs harvested from federal land and First Nations reserves.

* Indicates volume of less than 500 cubic metres.

TABLE C-6: NUMBER OF LICENCES AS OF MARCH 31, 2001, BY FOREST REGION

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Totals
	number						
FORM OF RIGHTS TO CUT TIMBER							
Tree farm licence (TFL)[1]	2	5	6	4	2	15	34
Woodlot licence	149	146	101	233	106	73	808
Community Forest Pilot Agreement	1	–	1	1	1	–	4
Forest licence							
Replaceable	15	24	24	22	25	42	152
Non-replaceable	19	11	2	18	3	13	66
SBFEP[2] non-replaceable	7	2	–	2	–	3	14
Timber sale licence (pulpwood agreement)[3]	1	1	–	4	–	–	6
Timber sale licence (non-SBFEP)[4]	–	1	–	1	2	3	7
Timber sale licence (SBFEP)[5]							
Replaceable	7	29	13	9	7	37	102
Non-replaceable	578	664	364	646	404	471	3,127
Licence to cut[6]	131	129	105	1,356	164	203	2,088
TOTALS	**910**	**1,012**	**616**	**2,296**	**714**	**860**	**6,408**

[1] TFL 25, located in both the Vancouver and Prince Rupert forest regions, is included in the Vancouver total only.

[2] Small Business Forest Enterprise Program.

[3] Number of active timber sale licences issued to satisfy the licensee's rights under a pulpwood agreement. Volume may have come from non-quota sources.

[4] Timber sale licences with an allowable annual cut of greater than 10,000 cubic metres per year.

[5] Timber sale licences with an allowable annual cut of 10,000 cubic metres or less.

[6] Timber sale licences active as of March 31, 2001, which were sold under sections 20, 21, 23 and 72 of the *Forest Act*.

TABLE C-7: VOLUME COMMITTED AS OF MARCH 31, 2001, BY FOREST REGION

OFFICE OR REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Totals
			m^3				
FORM OF RIGHTS TO CUT TIMBER							
Tree farm licence (TFL)[1]	619,795	721,801	1,148,079	1,038,686	959,550	11,141,992	15,629,903
Woodlot licence[2]	202,931	184,671	109,004	368,898	138,995	152,528	1,157,027
Community Forest Pilot Agreement	17,000	–	2,603	8,290	23,667	–	51,560
Forest licence							
Replaceable	4,443,418	5,561,702	3,177,094	11,198,358	5,672,578	5,275,384	35,328,534
Non-replaceable	1,379,600	424,500	25,000	1,949,526	315,435	344,642	4,438,703
SBFEP[3] non-replaceable	151,311	45,000	–	110,000	–	35,000	341,311
Timber sale licence (pulpwood agreement)[4]	219,000	86,000	–	1,305,169	–	–	1,610,169
Timber sale licence (non-SBFEP)[5]	–	12,765	–	11,372	25,631	34,625	84,393
Timber sale licence (SBFEP)							
Replaceable[6]	16,441	31,590	45,134	5,977	11,836	99,796	210,774
Non-replaceable[7]	955,920	1,065,571	818,607	2,428,038	1,536,542	1,839,879	8,644,557
Forest Service reserve[8]	71,177	636,073	31,854	192,046	68,750	141,333	1,141,233
TOTALS	**8,076,593**	**8,769,673**	**5,357,375**	**18,616,360**	**8,752,984**	**19,065,179**	**68,638,164**

[1] Schedule A (private and timber licence) and B (Crown) lands, does not include Small Business Forest Enterprise Program volumes within TFLs. Volumes for TFL 25, located in both the Vancouver and Prince Rupert forest regions, are included in the Vancouver total only.

[2] For both Schedule A and B lands issued licences.

[3] Small Business Forest Enterprise Program.

[4] Volume apportioned in timber supply areas and committed in tree farm licences to reflect the Crown's obligation under pulpwood agreements.

[5] Timber sale licences with an allowable annual cut of greater than 10,000 cubic metres per year.

[6] Timber sale licences managed under the Small Business Forest Enterprise Program which have an allowable annual cut of 10,000 cubic metres or less.

[7] Volume apportioned within timber supply areas and committed within tree farm licences to the Small Business Forest Enterprise Program.

[8] Volume apportioned for miscellaneous timber harvested, such as licences to cut and unauthorized cutting.

TABLE C-8: FOREST SERVICE ROAD CONSTRUCTION, INVENTORY AND CONSTRUCTION COSTS IN 2000/01, BY ROAD WIDTH, BY FOREST REGION

		CONSTRUCTION			
		By Licensee[1]	By Ministry[2]	Current Inventory[3]	Construction Cost[4]
		kilometres			$000
REGION	**ROAD WIDTH**				
Cariboo	Double lane	3.3	–	946.3	–
	Single lane	–	21.4	5,164.0	$722.4
SUB-TOTALS		**3.3**	**21.4**	**6,110.3**	**722.4**
Kamloops	Double lane	–	–	12.0	–
	Single lane	–	115.8	11,185.7	5,159.0
SUB-TOTALS		–	**115.8**	**11,197.7**	**5,159.0**
Nelson	Double lane	–	–	262.5	–
	Single lane	–	95.3	9,035.6	3,435.6
SUB-TOTALS		–	**95.3**	**9,298.1**	**3,435.6**
Prince George	Double lane	–	–	2,677.4	–
	Single lane	7.5	155.5	5,853.0	2,183.2
SUB-TOTALS		**7.5**	**155.5**	**8,530.4**	**2,183.2**
Prince Rupert	Double lane	–	–	327.0	–
	Single lane	–	98.8	4,315.8	5,995.4
SUB-TOTALS		–	**98.8**	**4,642.8**	**5,995.4**
Vancouver	Double lane	–	–	161.1	–
	Single lane	–	34.7	5,485.1	3,100.3
SUB-TOTALS		–	**34.7**	**5,646.2**	**3,100.3**
PROVINCIAL SUB-TOTALS					
	Double lane	**3.3**	**–**	**4,386.3**	**–**
	Single lane	**7.5**	**521.5**	**41,039.2**	**20,595.9**
TOTALS		**10.8**	**521.5**	**45,425.5**	**$20,595.9**

[1] Forest Service roads constructed by the licensee, with costs reflected in the pricing of timber.

[2] Includes works approved under the Small Business Forest Enterprise Program and the Emergency Bark Beetle Program.

[3] March 31, 2001. Includes transfers to and from other government agencies and private ownership, and cancelations.

[4] Licensee costs not included.

TABLE C-9: FOREST SERVICE ROAD IMPROVEMENT, UPGRADING AND MAINTENANCE, WITH COSTS, IN 2000/01, BY ROAD WIDTH, BY FOREST REGION

		IMPROVEMENTS/UPGRADING[1]		MAINTENANCE[2]		
		By Licensee[3]	By Ministry[4]	By Ministry[4]	Improvements/ Upgrading[1]	Maintenance[5]
		kilometres			$000	
REGION	**ROAD WIDTH**					
Cariboo	Double lane	–	1.1	76.0	$87.8	$57.0
	Single lane	14.0	77.0	780.0	483.3	448.9
SUB-TOTALS		**14.0**	**78.1**	**856.0**	**571.1**	**505.9**
Kamloops	Double lane	–	–	–	–	–
	Single lane	38.2	63.7	4,315.1	955.9	989.2
SUB-TOTALS		**38.2**	**63.7**	**4,315.1**	**955.9**	**989.2**
Nelson	Double lane	9.0	0.4	–	–	–
	Single lane	18.8	147.5	3,017.3	990.7	1,475.3
SUB-TOTALS		**27.8**	**147.9**	**3,017.3**	**990.7**	**1,475.3**
Prince George	Double lane	0.5	–	32.0	–	14.0
	Single lane	62.0	66.8	1,130.0	285.0	1,021.0
SUB-TOTALS		**62.5**	**66.8**	**1,162.0**	**285.0**	**1,035.0**
Prince Rupert	Double lane	75.0	–	–	–	–
	Single lane	–	36.5	2,121.0	1,603.0	1,200.3
SUB-TOTALS		**75.0**	**36.5**	**2,121.0**	**1,603.0**	**1,200.3**
Vancouver	Double lane	–	10.0	152.0	69.0	134.0
	Single lane	25.0	181.1	1,770.3	2,379.1	1,062.3
SUB-TOTALS		**25.0**	**191.1**	**1,922.3**	**2,448.1**	**1,196.3**
PROVINCIAL SUB-TOTALS						
	Double lane	**84.5**	**11.5**	**260.0**	**156.8**	**205.0**
	Single lane	**158.0**	**572.6**	**13,133.7**	**6,697.0**	**6,197.0**
TOTALS		**242.5**	**584.1**	**13,393.7**	**$6,853.8**	**$6,402.0**

[1] Improvement beyond general surface maintenance: all aspects of structural maintenance, including road "reconstruction."

[2] Surface maintenance, which includes culvert repairs and replacement of small culverts, cleaning of ditches, bank clearing, spot gravelling, and surface grading.

[3] Forest Service road improvements by the licensee, with costs reflected in the pricing of timber.

[4] Includes works approved under the Small Business Forest Enterprise Program and the Emergency Bark Beetle Program.

[5] Licensee costs not included. Ministry costs for deactivation works are included. Funding sources are the Small Business Forest Enterprise Program and the ministry vote.

TABLE C-10: FOREST SERVICE BRIDGE AND MAJOR CULVERT CONSTRUCTION, INVENTORY AND COSTS IN 2000/01, BY BRIDGE CLASS, BY FOREST REGION

		CONSTRUCTION[1]			MINISTRY COST[2]	
		By Licensee[3]	By Ministry[4]	Current Inventory[5]	Construction	Inspection and Maintenance[6]
		number			$000	
REGION	**STRUCTURE CLASS[7]**					
Cariboo						
	P	–	14	199	$682.0	$61.0
	T	–	3	16	100.0	–
	MC	6	2	63	82.0	–
SUB-TOTALS		**6**	**19**	**278**	**864.0**	**61.0**
Kamloops	P	3	24	545	1,349.0	77.2
	T	5	1	186	320.0	48.5
	MC	1	4	122	66.0	24.0
SUB-TOTALS		**9**	**29**	**853**	**1,735.0**	**149.7**
Nelson	P	4	40	419	2,050.8	122.9
	T	1	1	374	40.3	28.3
	MC	–	1	172	72.4	1.8
SUB-TOTALS		**5**	**42**	**965**	**2,163.5**	**153.0**
Prince George	P	17	24	519	1,472.0	–
	T	–	19	79	–	–
	MC	1	–	361	–	–
SUB-TOTALS		**18**	**43**	**959**	**1,472.0**	**–**
Prince Rupert	P	2	17	329	1,087.0	–
	T	–	12	95	1,022.0	400.0
	MC	4	7	118	441.0	–
SUB-TOTALS		**6**	**36**	**542**	**2,550.0**	**400.0**
Vancouver	P	7	27	473	2,504.0	75.0
	T	5	8	480	272.0	9.2
	MC	2	14	140	266.6	–
SUB-TOTALS		**14**	**49**	**1,093**	**3,042.6**	**84.2**
PROVINCIAL SUB-TOTALS						
	P	**33**	**146**	**2,484**	**9,144.8**	**336.1**
	T	**11**	**44**	**1,230**	**1,754.3**	**486.0**
	MC	**14**	**28**	**976**	**928.0**	**25.8**
TOTALS		**58**	**218**	**4,690**	**$11,827.1**	**$848.9**

[1] Includes replacement structures.

[2] Licensee costs not included. Small Business Forest Enterprise Program and Bridge Replacement Program costs are included.

[3] Forest Service road structures constructed by licensee, with the costs reflected in the pricing of timber.

[4] Includes works approved under the Small Business Forest Enterprise Program and the Emergency Bark Beetle Program.

[5] March 31, 2001. Includes transfers to and from other government agencies, and private ownership, deletions and closures.

[6] Forest Service structure classes:

P Permanent: Any bridge with a life expectancy at its current location of more than 15 years.

T Temporary: Any bridge with a life expectancy at its current location of less than 15 years.

MC Major Culvert: A culvert with a pipe diameter of at least 2,000 millimetres, or a maximum design discharge of at least 6 cubic metres per second.

TABLE C-11: SEED ADDITIONS, WITHDRAWALS AND INVENTORY[1] IN 2000/01[2], BY SPECIES

	ADDITIONS		WITHDRAWALS			SEED INVENTORY		
	Wild-Stand Collections (standard)	Orchard Collections (select)	Ministry Funded	Privately Funded	Other[3]	Ministry	Private	Total Inventory
	kilograms							
SPECIES								
Cedar, western red	23	14	9	46	4	168	610	778
Cedar, yellow (cypress)	3	–	2	21	–	7	171	178
Douglas-fir, Coastal	1	109	45	326	16	2,509	1,125	3,634
Douglas-fir, Interior	100	–	48	233	15	5,852	3,435	9,287
Fir, amabilis	14	9	93	431	1	2,974	5,334	8,308
Fir, grand	2	–	2	8	1	521	314	835
Fir, noble	101	22	–	35	8	78	167	245
Fir, subalpine	137	–	37	109	18	1,569	2,213	3,782
Hemlock, mountain	–	–	–	1	–	120	80	200
Hemlock, western	–	46	4	24	–	442	591	1,033
Larch, western	115	61	3	24	–	790	617	1,407
Pine, lodgepole (Coastal)	197	55	110	587	34	4,350	4,640	8,990
Pine, lodgepole (Interior)	1	–	–	1	–	129	145	274
Pine, yellow (ponderosa)	665	–	21	96	12	2,105	2,611	4,716
Pine, white	3	62	28	84	–	210	577	787
Spruce, Sitka	102	–	1	10	6	893	419	1,312
Spruce, hybrid[4]	3	25	82	406	233	14,520	8,024	22,544
Other minor	1	–	–	–	–	27	22	49
TOTALS	**1,466**	**403**	**485**	**2,442**	**348**	**37,264**	**31,095**	**68,359**

[1] Source: Seed Planning and Registry (SPAR) System.

[2] Derived from 2000/01 sowing requests.

[3] For direct seeding, seed sales, research, public relations, export and inventory maintenance.

[4] Includes natural crosses between Sitka, Engelmann and white spruces.

Note: All seed is obtained through conventional selection and breeding techniques. No genetic engineering or unnatural genetic modification is involved.

Figures may not add due to rounding.

TABLE C-12: MINISTRY SEED ORCHARD PRODUCTION IN 2000/01 BY SPECIES, BY ORCHARD

	Orchard		Potential Seedlings
	number	kg of seed	000
SPECIES			
Coastal Douglas-fir	146	-	-
	149	-	-
SUB-TOTALS		-	-
Interior lodgepole pine	203	4.06	525.10
	220	4.82	615.70
	223	4.75	573.10
	228	10.97	1,324.10
	230		
	307	16.33	1,716.60
SUB-TOTALS		**40.92**	**4,754.60**
Spruce	131	-	-
	209	-	-
	301	-	-
	304	-	-
	305	-	-
	306	1.71	273.50
	206	-	-
SUB-TOTALS		**1.71**	**273.50**
Western hemlock	143	-	-
SUB-TOTALS		-	-
Western larch	332	17.56	1,421.80
	333	43.23	4,321.40
SUB-TOTALS		**60.79**	**5,743.20**
Western white pine	175	10.64	215.30
	335	9.62	212.70
	609	3.38	48.90
SUB-TOTAL		**23.64**	**476.90**
TOTALS		**127.06**	**11,248.20**

Source: Seed Planning and Registry (SPAR) System, April 26, 2001.

Note: All seed is obtained through conventional selection and breeding techniques. No genetic engineering or unnatural genetic modification is involved.

Figures may not add due to rounding.

TABLE C-13: SEEDLING REQUESTS IN 2000/01[1], BY SPECIES AND GENETIC CLASS

	Class A	Superior Provenance	Class B	Total
	000 seedlings			
SPECIES				
Alder, red	–	–	280.70	28.070
Alder, Stika	–	–	30.00	30.00
Aspen, trembling	–	–	7.10	7.10
Birch, paper	–	–	12.00	12.00
Cottonwood, black			1.00	1.00
Fir, amabilis	–	–	3,259.90	3,259.90
Fir, grand	–	–	129.40	129.40
Fir, noble	–	–	178.00	178.00
Fir, subalpine	–	–	2,698.80	2,698.80
Cedar, western red	6,811.30	–	5,834.70	12,646.00
Cedar, yellow	321.30	–	1,414.30	1,735.60
Douglas-fir, Coastal	10,652.50	–	1,842.30	12,494.80
Douglas-fir, Interior	–	–	10,903.80	10,903.80
Hemlock, mountain	–	–	310.40	310.40
Hemlock, western	3,427.20	–	1,438.30	4,865.50
Larch, European	–	–	2.00	2.00
Larch, Siberian	–	–	12.10	12.10
Larch, western	2,958.30	–	2,299.20	5,257.50
Pine, lodgepole (Coast)	–	–	293.90	293.90
Pine, lodgepole (Interior)	3,560.60	7,163.60	82,627.90	93,352.10
Pine, western white	1,654.70	–	223.70	1,878.40
Pine, yellow	–	–	820.60	820.60
Poplar, hybrid	2.00	–	–	2.00
Spruce, black	–	–	14.50	14.50
Spruce, hybrid	43,782.10	142.00	27,077.90	71,002.00
Spruce, Sitka	652.70	115.70	1,147.50	1,915.90
Sitka x unknown hybrid	–	–	610.00	610.00
Tamarack	–	–	16.50	16.50
TOTALS	**73,822.70**	**7,421.30**	**143,486.50**	**224,730.50**

[1] Source: Seed Planning and Registry (SPAR) System, June 7, 2001.

"Select" = Class A + Superior Provenance

TABLE C-22: AREA UNDER ATTACK BY FOREST INSECTS[1] IN 2000/01 BY FOREST REGION

REGION	Cariboo	Kamloops	Nelson	Prince George	Prince Rupert	Vancouver	Totals
	hectares						
INSECT TYPE							
Bark beetle[2]	43,596	22,764	18,441	144,609	153,882	22,812	406,105
Defoliator[3]	32,098	94,547	9,107	2,405,161	2,412	31,923	2,575,249
TOTALS	**75,694**	**117,311**	**27,548**	**2,549,770**	**156,294**	**54,735**	**2,981,354**

[1] Estimates of losses provided by the Ministry of Forests regional offices.

[2] Includes estimates of areas infested by mountain pine beetle, spruce beetle and Douglas-fir beetle.

[3] Includes estimates of areas defoliated by western blackheaded budworm, two-year-cycle budworm, spruce budworm, western spruce budworm, western hemlock looper, conifer sawflies, northern tent caterpillar, forest tent caterpillar, birch leaf miner, satin moth, green spruce aphid and pine needle sheath miner.

Figures may not add due to rounding.

TABLE C-27: MONITORING ACTIVITIES IN 2000/01, BY FOREST REGION

ACTIVITY		Inspections
REGION	**TENURE TYPE**	
Cariboo	Major licence	3,984
	SBFEP[1]	2,506
	Woodlot licence	312
	Other	79
SUB-TOTALS		**6,881**
Kamloops	Major licence	3,886
	SBFEP	2,812
	Woodlot licence	264
	Other	68
SUB-TOTALS		**7,030**
Nelson	Major licence	3,581
	SBFEP	2,228
	Woodlot licence	151
	Other	222
SUB-TOTALS		**6,182**
Prince George	Major licence	4,586
	SBFEP	1,643
	Woodlot licence	515
	Other	154
SUB-TOTALS		**6,898**
Prince Rupert	Major licence	2,725
	SBFEP	1,800
	Woodlot licence	127
	Other	32
SUB-TOTALS		**4,684**
Vancouver	Major licence	5,839
	SBFEP	2,263
	Woodlot licence	409
	Other	107
SUB-TOTALS		**8,618**
PROVINCIAL SUB-TOTALS	**Major licence**	**24,601**
	SBFEP	**13,252**
	Woodlot licence	**1,778**
	Other	**662**
TOTALS		**40,293**

[1] Small Business Forest Enterprise Program.

TABLE D-1: NUMBER AND CAUSES OF WILDFIRES IN 2000/01, BY CAUSE, BY FOREST REGION

REGION	CARIBOO		KAMLOOPS		NELSON		PRINCE GEORGE		PRINCE RUPERT		VANCOUVER		TOTALS	
	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average
	number of wildfires													
CAUSE														
Lightning	24	166	134	341	561	313	79	257	13	80	31	114	842	1,271
Campfire	10	17	32	42	18	21	11	24	7	13	35	45	113	162
Equipment use	4	8	15	27	12	7	5	8	3	3	13	18	52	71
Fire use	31	66	54	61	31	31	23	61	10	28	19	33	168	280
Incendiary	34	49	41	14	20	7	29	14	6	6	26	12	156	102
Juvenile fire-setter	17	14	10	17	16	8	4	4	12	8	20	11	79	62
Railroads	2	1	8	4	2	1	1	2	–	2	1	3	14	13
Smoker	3	8	7	26	11	12	2	9	1	6	7	24	31	85
Miscellaneous	10	18	25	60	22	22	11	30	5	14	10	30	83	174
TOTALS	**135**	**347**	**326**	**592**	**693**	**422**	**165**	**409**	**57**	**160**	**162**	**290**	**1,538**	**2,220**

TABLE D-2: AREA BURNED BY WIDFIRES[1] IN 2000/01, BY FOREST REGION

TIMBER	MERCHANTABLE TIMBER		IMMATURE TIMBER		OTHER COVER TIMBER		TOTALS	
	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average	2000/01	10-Year Average
	hectares							
REGION								
Cariboo	164	299	18	96	230	543	412	938
Kamloops	868	3,237	136	519	265	946	1,268	4,701
Nelson	997	1,058	344	219	862	860	2,202	2,137
Prince George	1,026	4,737	1,204	3,687	1,161	5,073	3,391	13,496
Prince Rupert	9,001	4,124	–	509	23	3,735	9,025	8,368
Vancouver	76	476	34	351	–	729	110	1,556
TOTALS	**12,131**	**13,932**	**1,736**	**5,380**	**2,541**	**11,884**	**16,407**	**31,196**

[1] Wildfires of 4 hectares or larger. Figures may not add due to rounding.

TABLE D-3: TIMBER BURNED BY WILDFIRES IN 2000/01, BY FOREST REGION

REGION	000m^3
Cariboo	19.6
Kamloops	137.8
Nelson	194.3
Prince George	81.7
Prince Rupert	1,800.3
Vancouver	6.3
TOTAL	**2,239.8**

TABLE G-1: SMALL BUSINESS FOREST ENTERPRISE PROGRAM (SBFEP) REGISTRANTS AND SALES IN 2000/01, BY FOREST REGION

	REGISTRANTS[1]			SALES[2]			
	Cat. 1[3]	Cat. 2[4]	Cat. 3[5]	Cat. 1	Cat. 2	Cat. 3	Other
	number						
REGION							
Cariboo	413	60	2	358	48	–	172
Kamloops	491	117	8	513	56	–	95
Nelson	205	78	4	170	72	–	122
Prince George	492	64	7	352	43	–	251
Prince Rupert	360	47	4	271	39	–	94
Vancouver	575	175	7	245	32	–	194
TOTALS	**2,536**	**541**	**32**	**1,909**	**290**	–	**928**

[1] All registrants between April 1, 2000 and March 31, 2001, even if only registered for part of that time.

[2] Number of sales in which a licensee is in the applicable category. (Licence could have originally have been awarded to a Category 3 registrant, but the registration has since been changed to a Category 2.)

[3] Registrants who do not own or lease a timber-processing facility, market logger.

[4] Registrants who own or lease a timber-processing facility.

[5] Registrants who do not own or lease a timber-processing facility, but will construct or lease one, if awarded a licence. (Thge category will change to 2 when the timber processing facility is acquired)

APPENDICES

PHOTO - J. POJAR

Structure and Functions

The Ministry of Forests, which is also known as the Forest Service, is structured to:

- effectively manage the resources,
- decentralize decision-making to ensure efficient and highly responsive service to ministry clients,
- emphasize integrated resource management and forest product development and marketing,
- ensure the accountability of managers, and
- achieve excellence through a commitment to employees.

The ministry is organized into four divisions, which are made up of 19 branches, six forest regions, and 40 districts (see "Ministry Organization by Reporting Function" on page 58).

Highlights of branch and program work during 2000/01 are available on the ministry's Web site (www.gov.bc.ca./for), linked to the electronic version of this report.

Policy and Economics Division

This division coordinates the ministry's policy and planning processes and ensures a consistent framework for provincial forest policy. The group also has specific responsibilities for trade policy and legislation. There are two branches: Economics and Trade, and Corporate Policy and Planning.

Economics and Trade Branch is responsible for developing policies that help foster the growth and improve the economic health of B.C.'s forest resources and forest industry. The branch prepares economic, trade and financial analyses of the forest resource, the forest industry and non-timber values, coordinates provincial policies on forest-related trade issues, and represents the ministry in international policy processes such as the Kyoto Protocol and sustainable forest management. The branch also manages incoming and outgoing international missions, international communications related to forest management and policies, and forest-related trade matters.

Corporate Policy and Planning Branch is responsible for the Ministry of Forests' policy, planning and consultation processes in response to current and emerging issues. The branch:

- manages the ministry's corporate-level forest-sector policy initiatives,
- coordinates the ministry's strategic and performance planning processes,
- manages the ministry's legislation program,
- coordinates selected strategic forest initiatives,
- coordinates the ministry's work with Forest Renewal BC, including resource management planning for Land-Based Programs, and

- coordinates ministry contributions to interministry policy, planning and intergovernmental initiatives.

Operations Division

This division is the operational arm of the Forest Service. It implements the policies and programs developed by the branches. The only division with direct regional and district responsibilities, Operations Division includes the six regional offices, 40 district offices, and six branches, as follows:

Protection Branch provides wildfire service to all land managers in the province. The branch maintains ministry fire fighting resources in a state of readiness, with properly trained staff and the appropriate technology and equipment in place. The branch focuses on the prevention and suppression of wildfires to protect forest and range resources, natural resource values, lives and property. The program is divided into two major activities: direct fire fighting and fire preparedness.

Performance measures for the program include containing 94 per cent of all unwanted wildfires at less than 4 hectares and keeping area burned by unwanted wildfires to less than 150,000 hectares in a five-year period (i.e., an average of 30,000 hectares annually). Through its prevention efforts, the ministry also aims to keep the number of human-caused fires from escalating – despite an increasing population and expanding tourism and recreational activities in the province.

The mandate of *Compliance and Enforcement Branch* is to promote compliance, by both industry and the Forest Service, with forest and range legislation, and to help the government effectively enforce that legislation. The important components of that mandate are to:

- promote external compliance and internal quality assurance,
- support investigations and enforcement, including administrative remedies and prosecutions,
- report to the public on compliance, quality assurance, and enforcement statistics,
- resolve forest management issues within a statutory framework by applying forest management expertise in conjunction with applicable legal principles,
- analyze risk and develop risk assessment and management principles that can be applied within a statutory framework,
- analyze and develop legislation (and, where applicable, policy) that is feasible, enforceable, and supports defensible statutory decision-making, and
- supports ministry statutory decision-makers and the Attorney General.

Compliance and Enforcement Branch advises and supports more than 900 Operations Division and Protection Program staff working throughout the

province on a wide range of compliance and enforcement activities that encourage resource sustainability.

Aboriginal Affairs Branch promotes the Ministry of Forests' interests in treaty negotiations. The branch provides leadership, negotiation skills, advice and overall coordination for forest-related First Nations issues in the following three areas:

- policy development as it relates to forestry and First Nations issues,
- programs and interim measures that provide economic opportunities for First Nations in the forest sector, and
- support to the British Columbia Treaty Commission process through information management and resource analysis.

The branch continues to ensure that existing aboriginal and treaty rights are acknowledged and respected in ministry legislation, policies and programs, and that current case law is reflected in the ministry's business approach. The branch works with forest regions and districts to provide advice and guidance on the appropriate application of policies as they relate to ministry operations and First Nations issues.

The main focus of *Business Improvement Branch* is the delivery of the Continuous Improvement Initiative (see also page 23). The initiative is a multi-year, multi-phase project that concentrates on providing ministry staff with hands-on training and education in business redesign, performance management, and team and leadership effectiveness. The main goal of the initiative is to develop a self-sustainable continuous improvement culture in the ministry, which will allow it – along with forest-sector partners such as the Ministry of Environment, Lands and Parks and forest licensees – to reduce overall operating costs, develop business efficiencies and strengthen business relationships. These and other performance improvements will help the forest sector become more innovative, adaptive, and better able to manage change, which will, in turn, help make the B.C. forest industry more efficient and competitive.

Resource Tenures and Engineering Branch supports the ministry's forest development program throughout the province by providing administrative and operational services for major tenures, the Woodlot Licence Program, the Community Forest Pilot Program, forest engineering, legal access and land acquisition/disposal, and land information management. The branch also provides professional expertise and leadership to develop and maintain provincial legislation, policies and procedures for these program areas. The branch provides day-to-day operational support, advice and information to the Minister of Forests, the ministry executive, regions and districts, and the public.

Forest Enterprises Branch contributes to sustainably managed small-business forests by working in partnership with and promoting viable independent forest enterprises. Forest Enterprises Branch is responsible for managing the ministry's small business programs, including the Small Business Forest Enterprise Program (SBFEP), the Small-Scale Salvage Initiative, and log

marketing. The branch also provides strategic program direction and policy guidance for small-business activities, including timber-sale planning, road construction, and basic silviculture.

Forestry Division

The Forestry Division provides the legislation and policy framework, technical standards, tools, procedures and support for field staff. This includes sustainable management of British Columbia's forest, range and outdoor recreation resources. The assistant deputy minister, who is also the province's chief forester, determines the allowable annual cuts for timber supply areas and tree farm licences. Branches are as follows:

Forest Practices Branch develops and maintains a vision of sustainable forest management for British Columbia's timber, range and recreation resources, in support of the chief forester's legislated mandate. The branch is responsible for preparing, updating, assessing and refining all aspects of provincial forest planning, practices, policy and standards, within the context of the ministry's mandate. The branch proposes legislation, policies and procedures to help meet the ministry's goals and objectives, and it provides expert advice and technical support to a broad array of clients, particularly operations field staff in the regions and districts. In addition, the branch serves as the ministry's liaison with the Forest Practices Board.

Timber Supply Branch manages the Timber Supply Review. That work includes the timely completion of timber supply analyses for B.C.'s 37 timber supply areas (TSAs), and allowable annual cut (AAC) determinations for all of the TSAs and the 34 tree farm licences (TFLs) at least once every five years. The Timber Supply Review is an assessment of the province's timber resources, which takes into account current forestry practices and resource values. The chief forester uses the results of the review to make reliable timber forecasts and ensure that harvest levels are appropriate.

The branch supports the chief forester's AAC determinations by producing timely, reliable and informative timber supply analyses that reflect current integrated resource management. This includes developing policy, methods and models for timber supply analysis. Providing this technical support to the chief forester is one of the branch's most important responsibilities.

The branch also works closely with other ministry staff, other ministries and the public to identify areas where better information is required, and to improve methods for future timber supply analyses.

Through the AAC decision support team, Timber Supply Branch also provides information, policy and advice for the AAC determination process to the chief forester, and to Forest Service district and regional staff.

Tree Improvement Branch coordinates all ministry tree improvement functions and ensures their integration with the activities of Forest Renewal

BC and the British Columbia Forest Genetics Council, which it co-chairs. Delivered in partnership with Forest Renewal BC, tree improvement is one of the lowest-cost reforestation investments, and it provides a positive economic return across a range of species.

Resources Inventory Branch is responsible for the Vegetation Resources Inventory, a geo-referenced repository of current forest resources data. It provides support for complex integrated resource management decisions. The branch also provides training, planning, and application development to meet client needs.

Forest inventory information is the basis for professional forest management. Forest monitoring information is needed to assess the sustainability of current forest management practices and proposed forest policy, and to track the cumulative effects of land management over time.

The *Forest Science Program* is a combination of the activities of *Research Branch* (in the Forestry Division) and regional scientists (in the Operations Division). The program provides the ministry with timely in-house scientific advice for policy development and operational decision-making. In doing so, it engages in a wide variety of research studies to address immediate problems as well as longer-term issues and opportunities. Ministry scientists are actively involved in scientific networks and research partnerships with other research organizations within B.C., across the country, and around the world.

Forestry Division Services Branch supports the ministry's core objectives to encourage resource sustainability, practise planned and integrated resource use, encourage an efficient and world-competitive forest industry, and assert the financial interests of the Crown. It provides a range of business and management support services to Forestry Division and the ministry. That work includes maintaining a comprehensive forest resource library service and an online document library for staff, industry and the public, coordinating the delivery of specialized training to field staff and industry, and leading the development of divisional performance measures to improve program performance and cost efficiencies. Secondary clients include outside agencies, such as Forest Renewal BC, industry and other groups.

Management Services Division

This division develops and monitors the ministry's policy framework relating to the management of revenues, expenditures and human resources, including employment equity, facilities, information systems, and freedom of information. The division delivers administrative services and performs the annual internal audit. The assistant deputy minister is also the ministry's executive financial officer. Branches are as follows:

Financial Management Branch provides:

- clear policy direction and standards for financial, contract and asset management,

- financial management training and advice,
- corporate management services, including headquarters payroll and accounts payable processing, budgeting and financial systems management, and corporate facilities and vehicle management services,
- appropriate accountability through financial reviews, and
- appropriate financial management information for decision-making.

It is the responsibility of *Revenue Branch* to:

- determine ministry revenue in a systematic and equitable manner,
- identify and claim revenue completely, accurately and promptly,
- record revenue promptly and accurately,
- collect revenue accounts receivables vigorously, and
- treat licensees fairly and equitably.

Human Resources Branch provides professional human resource management services to the ministry's branches, regions and districts. The branch also offers leadership, advice and guidance on human resource planning, recruitment, workforce adjustment and attrition, training and development, classification and compensation, labour relations, the Short-Term Illness and Injury Plan, long-term disability and rehabilitation case management, occupational health and safety, and employment equity and diversity.

Information Management Branch manages and supports corporate information management/information technology services and plans. It also evaluates and implements new technologies and supports applications, including development and maintenance, and training services. The branch is responsible for planning, data administration, policy, audit, freedom of information, forms, records and manual publication services. In addition, the branch provides voice, data and radio communications infrastructure for the ministry.

Communications Branch

Communications Branch sets communications policy for the Ministry of Forests and delivers a full range of communications services, planning, strategy and counsel to the minister, deputy minister, executive, branches, groups, regions and districts. The branch reports directly to the deputy minister.

Communications also provides information about ministry activities to the public, the news media, organizations and stakeholders, and it answers queries from them. The branch supports all of the ministry's strategic goals, programs, activities and projects, but does not have primary responsibility for any of them. It does, however, execute projects of its own. National Forest Week, for example, provides an opportunity each spring for the ministry to communicate with the public and educate school children about the province's forests.

The branch also works throughout the year to expand, update and improve the ministry's Web site, which helps the organization communicate with people and organizations around the world.

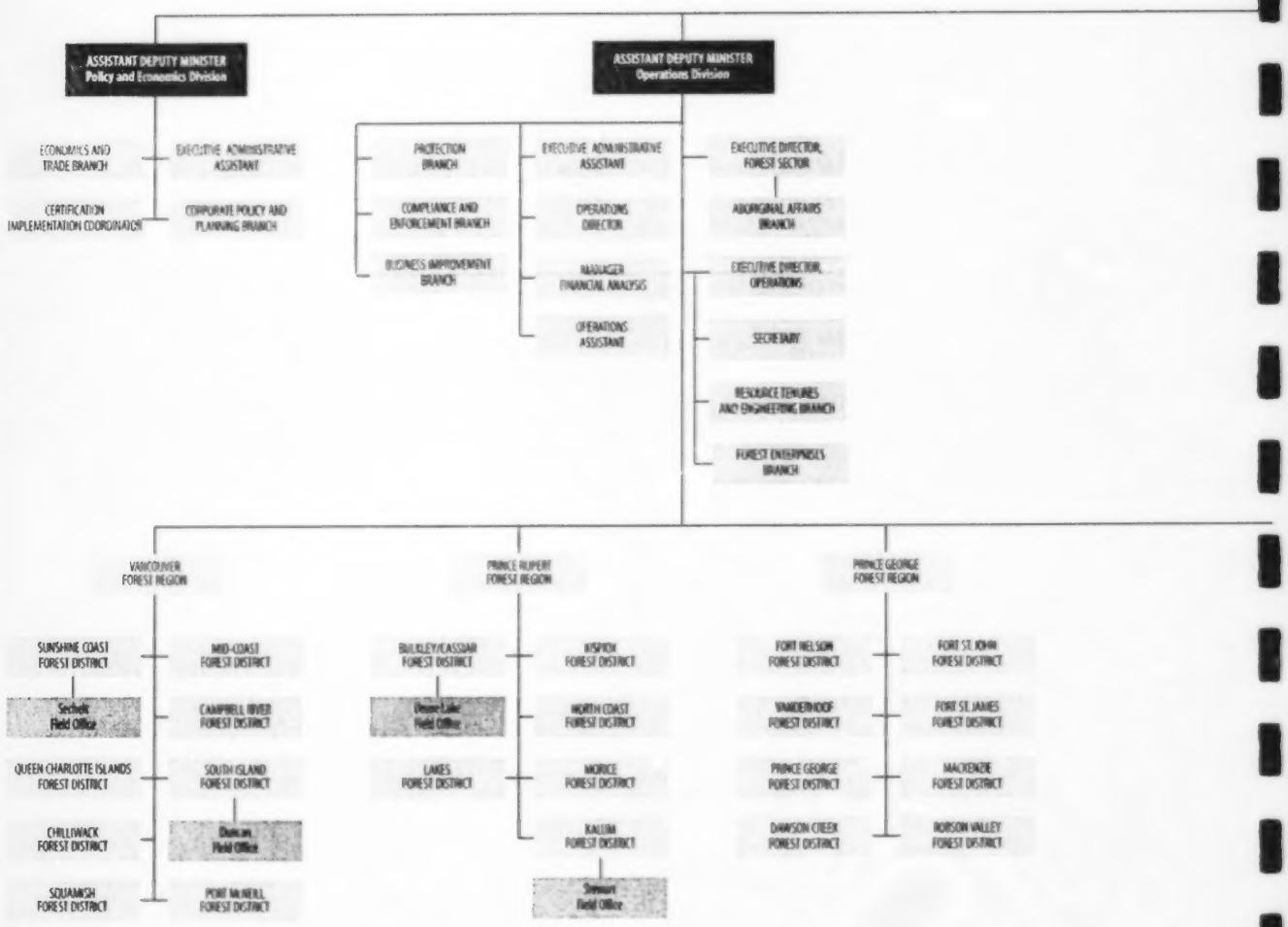
Regional Offices

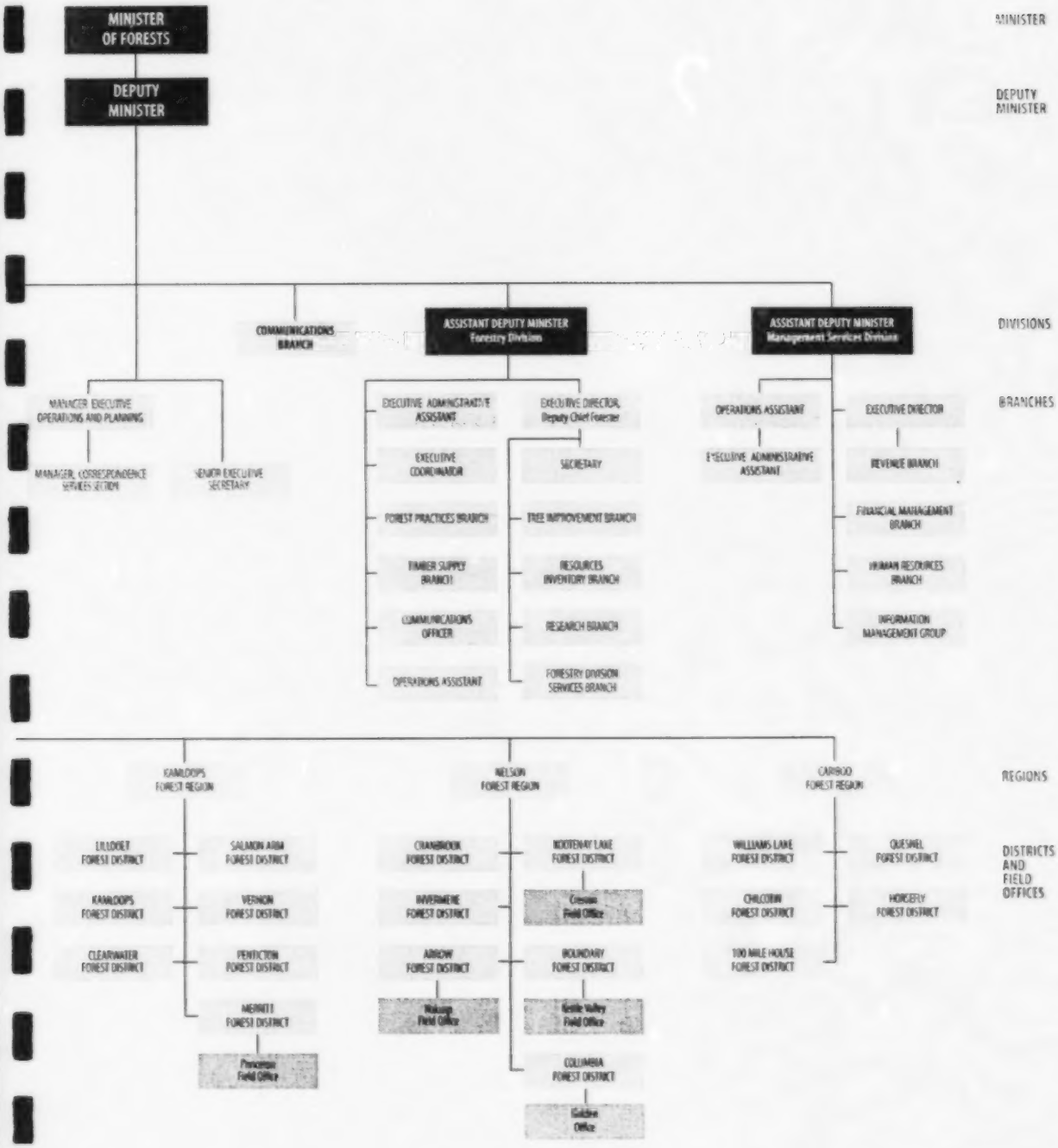
The Forest Service's six regional offices, each under the direction of a regional manager, are the general administrative centres for the forest region and the districts within them. With input from the districts, regional managers and their staff develop priorities, programs and procedures for the region, based on broad provincial policies. They supply professional and technical expertise to help the district implement programs and deliver goods and services to the public. Regional offices have an important role in quality assurance, and they relay feedback from the districts to the appropriate headquarters branches.

District Offices

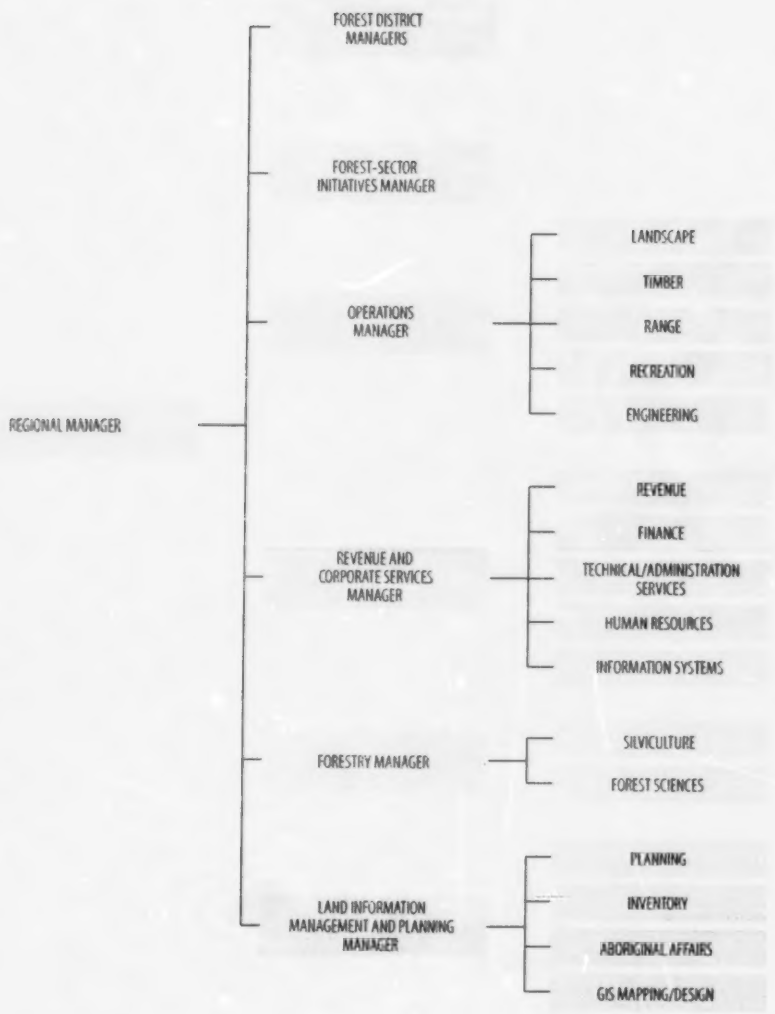
The ministry's 40 district offices put ministry policies into practice by carrying out regional priorities. They also ensure compliance with legislative requirements, such as the Forest Practices Code, for which the district manager is a key statutory decision-maker.

MINISTRY ORGANIZATION BY REPORTING FUNCTION

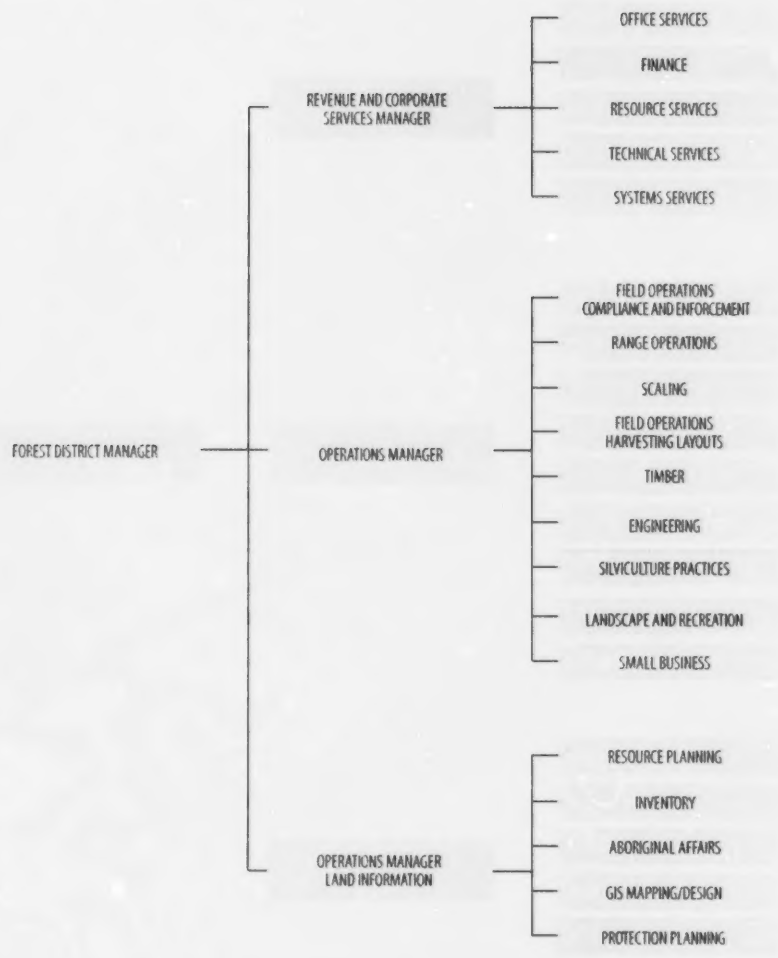



MINISTER OF FORESTS
DEPUTY MINISTER
COMMUNICATIONS BRANCH
ASSISTANT DEPUTY MINISTER Forestry Division
ASSISTANT DEPUTY MINISTER Management Services Division
MANAGER EXECUTIVE OPERATIONS AND PLANNING
MANAGER, CORRESPONDENCE SERVICES SECTION
SENIOR EXECUTIVE SECRETARY
EXECUTIVE ADMINISTRATIVE ASSISTANT
EXECUTIVE DIRECTOR, Deputy Chief Forester
EXECUTIVE COORDINATOR
FOREST PRACTICES BRANCH
TIMBER SUPPLY BRANCH
COMMUNICATIONS OFFICER
OPERATIONS ASSISTANT
SECRETARY
TREE IMPROVEMENT BRANCH
RESOURCES INVENTORY BRANCH
RESEARCH BRANCH
FORESTRY DIVISION SERVICES BRANCH
OPERATIONS ASSISTANT
EXECUTIVE ADMINISTRATIVE ASSISTANT
EXECUTIVE DIRECTOR
REVENUE BRANCH
FINANCIAL MANAGEMENT BRANCH
HUMAN RESOURCES BRANCH
INFORMATION MANAGEMENT GROUP
KAMLOOPS FOREST REGION
NELSON FOREST REGION
CARIBOO FOREST REGION
LILLOOET FOREST DISTRICT
KAMLOOPS FOREST DISTRICT
CLEARWATER FOREST DISTRICT
SALMON ARM FOREST DISTRICT
VERNON FOREST DISTRICT
PENTICTON FOREST DISTRICT
MERRITT FOREST DISTRICT
Princeton Field Office
CRANBROOK FOREST DISTRICT
INVERMERE FOREST DISTRICT
ARROW FOREST DISTRICT
Nakusp Field Office
KOOTENAY LAKE FOREST DISTRICT
Creston Field Office
BOUNDARY FOREST DISTRICT
Castle Valley Field Office
COLUMBIA FOREST DISTRICT
Golden Office
WILLIAMS LAKE FOREST DISTRICT
CHILCOTIN FOREST DISTRICT
100 MILE HOUSE FOREST DISTRICT
QUESNEL FOREST DISTRICT
HORSEFLY FOREST DISTRICT
MINISTER
DEPUTY MINISTER
DIVISIONS
BRANCHES
REGIONS
DISTRICTS AND FIELD OFFICES

REGIONS ORGANIZATION MODEL



DISTRICTS ORGANIZATION MODEL



Legislative Authority

The mandate of the Forest Service, as stated in section 4 of the *Ministry of Forests Act,* is to:

(a) encourage maximum productivity of the forest and range resources in the Province,

(b) manage, protect and conserve the forest and range resources of the Crown, having regard to the immediate and long-term economic and social benefits they may confer on the Province,

(c) plan the use of the forest and range resources of the Crown, so that the production of timber and forage, the grazing of livestock, and the realization of fisheries, wildlife, water, outdoor recreation and other natural resource values are coordinated and integrated, in consultation and cooperation with other ministries and agencies of the Crown and with the private sector,

(d) encourage a vigorous, efficient and world-competitive timber processing industry in the Province, and

(e) assert the financial interests of the Crown in its forest and range resources in a systematic and equitable manner.

In addition, the Forest Service is required under the preamble to the *Forest Practices Code of British Columbia Act,* which was amended in July 1997, to manage the forest and range resource to ensure sustainable use. That includes:

(a) managing forests to meet present needs without compromising the needs of future generations,

(b) providing stewardship of forests based on an ethic of respect for the land,

(c) balancing economic, productive, spiritual, ecological and recreational values of forests to meet the economic, social and cultural needs of peoples and communities, including First Nations,

(d) conserving biological diversity, soil, water, fish, wildlife, scenic diversity and other forest resources, and

(e) restoring damaged ecologies.

The main responsibilities and authorities of the Forest Service are defined in the following provincial legislation:

- *Ministry of Forests Act,* Revised Statutes of B.C. (RSBC) 1996, Chapter 300,
- *Forest Act,* RSBC 1996, Chapter 157,
- *Forest Practices Code of British Columbia Act,* RSBC 1996, Chapter 159, and
- *Range Act,* RSBC 1996, Chapter 396.

In addition, the following legislation is under the responsibility of the Minister of Forests, but is not directly administered by the Forest Service:

- *Forest Renewal Act*, RSBC 1996, Chapter 160,
- *Forest Land Reserve Act*, RSBC 1996, Chapter 158, and
- *Foresters Act*, RSBC 1996, Chapter 162.

The Forest Service also has administrative responsibilities under the:

- *Forest Stand Management Fund Act*, RSBC 1996, Chapter 161, and
- *South Moresby Implementation Account Act*, RSBC 1996, Chapter 435.

Reports

Under the *Ministry of Forests Act* and the *Budget Transparency and Accountability Act*, the ministry is obligated to prepare:

- a periodic resource analysis describing the conditions, management and future uses of the forest and range resources, to enable informed setting of overall priorities and long-term objectives,
- a three-year performance plan that includes a statement of goals and identifies specific objectives and performance measures, updated on an annual basis, for tabling in the B.C. Legislature by April 30 of each year, and
- an annual performance report that compares actual results for the preceding fiscal year with the expected results identified in the performance plan, for tabling in the B.C. Legislature by June 30 each year (as of 2001/02).

APPENDIX 2: SPECIAL ACCOUNTS – STATUTORY

Statutory authorities are in place for several Special Accounts in which the Ministry of Forests has significant involvement, through funding and/or providing services, personnel or materials.

Forest Stand Management Fund

This account was originally established as a fund by the *Forest Stand Management Fund Act,* 1986, and was changed to a Special Account under the *Special Accounts Appropriation and Control Act.* Revenue is provided by contributions from municipalities, the forest industry, forest sector unions, and others.

Expenditures provide for enhanced management of British Columbia's forest and range lands, and for related projects. No financing transactions are provided for under this account, and no reports are included.

Small Business Forest Enterprise Program (SBFEP)

This account was established in 1988 to identify all revenues incidental to the operation of the SBFEP, and to provide an ongoing source of funds to defray the costs of the program. Qualified individuals and firms register in this program to purchase Crown timber from the province. Market loggers make up the majority of registrants.

The main objectives of the SBFEP are to:

- provide opportunities for existing and new businesses in the forest industry,
- promote diversification and jobs,
- support competition and profit, and
- encourage sound, integrated forest management throughout the province.

The SBFEP also provides opportunities for a considerable number of private-sector contractors to construct roads, reforest land, measure and protect the timber resource, and assist in planning forest management activities.

Revenue is derived from upset and bonus stumpage, annual rents, trespass charges, scaling and registration fees, and sales of logs. Revenue in excess of current expenditures and future basic silviculture requirements is returned to the province's general revenue fund. In 2000/01, $118 million was returned. This is a decrease from the previous year, reflecting the challenges faced by the forest sector as both the price of lumber in the U.S. market and Asian demand remained weak, and a larger percentage of program harvest was insect-damaged timber.

Expenditures are made for administration, logging road and bridge construction and maintenance, the costs of selling timber and logs, and basic silviculture to restock logged lands.

2000/01 Highlights

Accomplishments under the program during 2000/01 are reported under "Goals, Initiatives and Results in 2000/01" (beginning on page 6).

South Moresby Implementation

In 1988, the governments of Canada and British Columbia established the Gwaii Haanas National Park Reserve/Haida Heritage Site and Gwaii Haanas Proposed National Marine Conservation Area Reserve in the Queen Charlotte Islands of British Columbia. Each government contributed $12 million to create the South Moresby Forest Replacement Account to help offset the resulting reduction in timber supply and the associated loss of forestry jobs. In 2000, the governments signed an extension of the account until March 31, 2007.

2000/01 Highlights

During this fiscal year, the account mainly funded the continuation of projects from 1999/00. The federal/provincial management committee co-chairs met with other agencies and the communities to develop a new strategic plan, and communities suggested options for management of the fund. The federal and provincial governments are reviewing those options.

Forest Renewal BC

Forest Renewal BC, a provincial Crown corporation, is an investment agency. Its mandate is to plan and implement a program of investments to renew the forest economy of B.C. It does this by enhancing the productive capacity and environmental values of forest lands, creating jobs, providing training for forest workers, and strengthening local communities that depend on the forest industry. Forest Renewal BC promotes regional equity and participation, wide representation for stakeholder groups, and sensitivity to the needs of the environment.

2000/01 Highlights

The primary role for the Ministry of Forests in the Forest Renewal BC delivery model is related to ministry stewardship and statutory functions (e.g., resource management planning, Forest Practices Code approvals and enforcement, and technical standards).

The ministry negotiated a $14 million 2000/01 service contract with Forest Renewal BC, by which the corporation purchased two 'products' from the ministry: planning and standard agreement model delivery.

- **Planning:** Through the development of a Resource Management Plan, the ministry provides input from a forest resource stewardship viewpoint, identifies resource investment opportunities, and ensures that funding

requirements for critical resource management activities (e.g., brushing and backlog silviculture) are met.

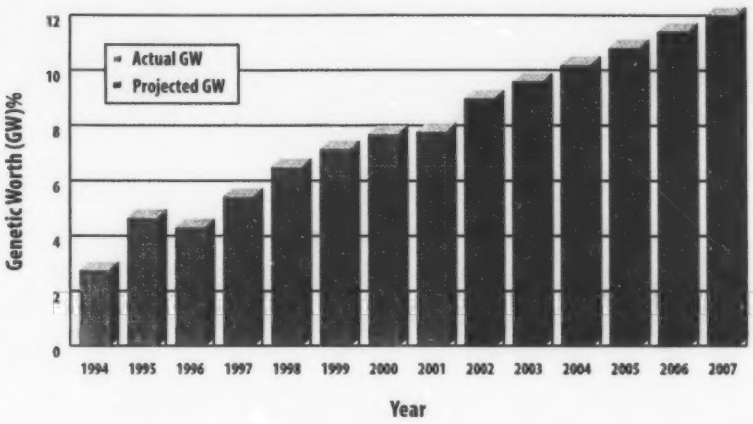
- **Standards Agreement Delivery:** For many Forest Renewal BC land-based activities, the ministry negotiates a Standards Agreement with the proponent for the type and standard of work to be done. This agreement is the means by which the ministry manages Forest Practices Code obligations for silviculture and watershed restoration activities. For non-codified work (e.g., inventory and forest health), this document is the means by which the ministry ensures that work quality is achieved on behalf of Forest Renewal BC and the government.

In 2000/01, the Ministry of Forests also negotiated goal agreements, with Forest Renewal BC to act as a lead proponent, for a total of $16 million. This funding was used to accomplish:

- field goals in all six ministry forest regions,
- province-wide projects – primarily inventory infrastructure that is needed to support the operational Inventory Program, Traditional Use Studies, technical support, and training projects associated with the Enhanced Forestry and Watershed Restoration programs, and
- activities associated with the Operational Tree Improvement Program, such as operational breeding and testing, enhanced delivery (i.e., seed orchard management, and family and clonal forestry), information support and gene conservation communication and extension, and capital investments in seed production.

The corporation's activities are reported in detail in the *Forest Renewal BC 2000/01 Annual Performance Report.* For more information, refer to www.forestrenewal.bc.ca

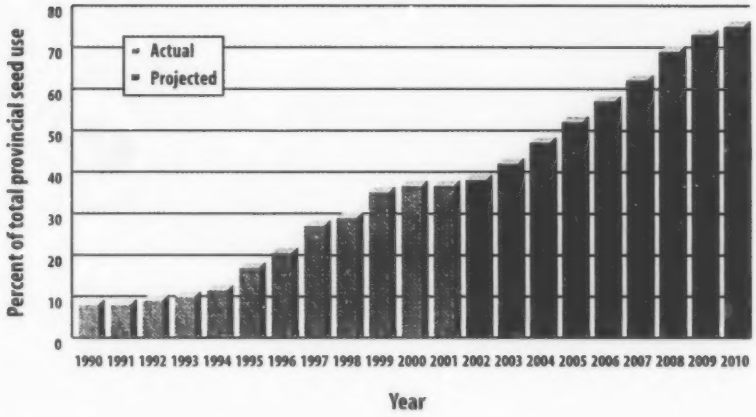
APPENDIX 3: SEED/SEEDLING GRAPHS



GRAPH 1

Actual and Projected Genetic Worth for Seedling Requests (1994 - 2007)

Note: This graph shows the actual and projected percentage increase in growth (genetic worth) at harvest age of trees produced from select (seed orchard) seed, compared to trees from wild stand seed sources. All seed is obtained through conventional selection and breeding techniques. No genetic engineering or unnatural genetic modification is involved.



GRAPH 2

Actual and Projected Use of Select Seed (1990 - 2010)

Note: All seed is obtained through conventional selection and breeding techniques. No genetic engineering or unnatural genetic modification is involved.

Select seed is seed orchard seed plus superior provenance collections. Data collected through Seed Planning and Registry (SPAR) System on February 17, 2001.

MINISTRY OF FORESTS

2000/01 ANNUAL PERFORMANCE REPORT

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